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A QUARTERLY JOURNAL OF INTERNATIONAL AND STRATEGIC AFFAIRS

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Contemporary Southeast Asia, Volume 15, Number 2, September 1993

Looking for Democratization in Post-Soeharto Indonesia*

CHUA BENG HUAT

The social inequalities of capitalist development, the state's declining position as the economy deregulates and the awaited "retirement" of President Soeharto have conjuncturally ushered in the return of a desire for democratization in Indonesia. Central to the discussion in this article is the role of the collectivist ideology of Pancasila. *Western analysts regularly dismiss* Pancasila *as a "self-serving" ideology with which the Indonesian regime justifies the status quo. Indonesian activitists are, however, in varying degrees committed to it and are able to utilize it as a political resource for the critique of the regime. What is being fashioned under the ideology is potentially an explicitly anti-liberal and anti-individual form of democratic polity.*

Within the contemporary discourse of democratization in the Third World, most Western analysts continue to purvey the Indonesian polity as an "authoritarian" state.[1] Those with an anthropological bent of mind often see a cultural continuity between contemporary political conditions and traditional Javanese "court politics", analytically reducing the influences of modernity.[2] Such positions tend to cover up the dynamics of popular politics under the heavy shroud of the assumption of an unchanging authoritarianism and/or tradition. There are, of course, some who try to bring to light the politics that has submerged rather than disappeared under the weight of the state machinery. For example, liberal democrats who see the middle class as harbingers of democracy pin the possible opening up of the political sphere on this hitherto thin layer of the social structure. This view is countered by neo-Marxist analysts who cast the middle class as supporters of the authoritarian state in a bid to protect its own rising material interests, which have been brought about precisely by the social and political stability maintained by the authoritarian regime's repression.[3]

None of the above analytical positions take seriously the existing regime's articulated intent on designing an anti-communist and anti-liberal polity that is based on the invented tradition of *Pancasila*, the corporatist national ideology which emphasizes the "rights of the collective" and thematize unity and consensus, through the image of the "nation as a family". The ideology is often dismissed as an essentially self-serving strategy promoted by the existing regime to preserve the status quo and continue its ravaging of state resources.[4]

In contrast, this article takes seriously the New Order regime's determination to design its own polity and tries to conceptualize this polity in terms that are consistent with some of the ideological concepts used by Indonesians in their self-understanding and analysis. The aim is to gain some conceptual and substantive opportunities for democratization in the immediate future. The analytical departure point is the grounds on which the Indonesian ideology can be inserted into the theoretical discourse of contemporary politics.

Absence of Liberalism in Asia

The genealogy of the modern state, from feudalism through absolute monarchy to participatory democracy, is conceptually distilled from the cumulative experience of the three major revolutions in the West: namely, the English Revolution (1985–89) which changed the conception of the constitutional rights of the monarchy; the American Revolution which gave rise to the first republican state; and finally, the French Revolution which constitutionally enshrined the Rights of the Citizens.[5] Each has had a great impact on the political philosophies and practices of modern democracies. One of their aggregate effects is the progressive institutionalization of individual rights and civil liberties in Western polities,[6] culminating by the end of World War II, in the elevation of liberal democracy as the most desirable master discourse in political practice and analysis,[7] subjecting all polities, including decolonized states, to its injunctions.

Indeed, many of the first generation post-colonial Asian and African political leaders had used the same discourse to show up the moral culpability of the colonialists. Upon independence, many experimented with some form of participatory democracy. Most came to grief. Intense political competition, untempered by the requisite ground rules and cultural attitudes for a democratic polity, resulted in social and economic chaos, creating the perfect excuse for the installation of authoritarianism. These democratic "failures" and the subsequent relative economic success of authoritarian regimes in some Asian countries have given rise to a need to rethink those substantive and conceptual linkages within the democratization process that are condensed from the European experience. Terms such as liberalism, legitimacy and democracy should be conceptually separated and the grounds for the positions of some Asian political thinking clarified.

Liberalism is by now a polysemic word with much conceptual baggage and thus requires clarification. In its Lockean formulation, the individual stands at the centre of liberalism as the best rational judge of his self-interests and must be permitted to act freely to realize these interests. Like-minded individuals will freely associate themselves as interest groups to pursue shared corporate interests. The only moral injunction against the pursuit of self-interests is that it should not be at the expense of others. At both individual and interest group levels, the state is tolerated as a neutral convenience which maintains the rules of social transactions. It is an objective arena in which orderly transactions of different individuals and interest groups are executed. It has no interest of its own *qua* state. State intervention is permissible only when it can be demonstrated that public interest is potentially or actually threatened as a result of disputes between two private parties. Where such threats are absent, intervention constitutes infringement, even abuse, of the rights of the individual.

Within the conceptual space of this particular reading of liberalism, it is difficult to develop a positive concept of "social", and correspondingly of "social responsibility", in public discourse. The idea of "social" is conceived negatively as a constraint, a check against freedom to attain self-interests. In practice, the injunction against jeopardizing the interests of others is often not observed. The conceptual difficulties and the commonly observed social irresponsibility of individuals give ample room for a critique and subsequent rejection of liberalism by some Asian politicians, who can additionally draw intellectual support from neo-conservatives who are disenchanted with liberalism as practised.[8] These Asian leaders see the insidious individualism in their own economically modernizing societies as a threat to social and political stability, even if the stability is held together by a high degree of coercive social control. With the substantive criticisms of liberalism, ideological room is made for its replacement by a different set of values which are supposedly "recovered" from the so-called "Asian" traditions.

Ideological confrontation is drawn between supposedly globalized corrupting, individualistic, Western influences and wholesome, communitarian, Eastern traditions. Against the centrality of individuality is placed the centrality of the "collective" well-being. Against the individualism of the West is placed the "collectivism" of Asia. Against the concept of the minimal and neutral state, the state is relegated to the place of a producer and vigilant guardian of this collective well-being. Privileging the collective thus justifies state interventions in all spheres of social life. It enables the state to rationalize pre-emptive interventions, ostensibly to ensure the collective well-being, as measures of good government, rather than abuse of individual rights. Finally, within the interventionist state, legitimacy lies not in the erection of liberal democratic institutions but in its ability to deliver on the promise of improving the collective well-being.

On Political Legitimacy

Given its ideological dominance, liberal democracy is the measure by which the legitimacy of an incumbent government is often judged and non-liberal regimes are condemned as a matter of course. Yet, as a legacy of colonialism, few decolonized nations had the requisite social, economic and cultural conditions for the building and staffing of liberal democratic institutions. Furthermore, the immediate need to restructure from a colonial mercantile or resource-extraction economy to an industrialized one had priority over the building of political institutions. The urgency accounted for the developmentalist orientations of post-colonial states. The drive to enhance the material life of the nation often led to the suspension, even abuse, of what may be constituted as individual rights in the liberal democratic tradition, often resulting in an authoritarian regime.

Conceptually, issues of legitimacy distinguish between ideologically accepted social constraints and unaccepted repression.[9] The necessity of a constraint depends on whether it can be normatively rationalized, and hence justified. Given its importance in justifying state activities, substantial energy of the ruling party is constantly expended on establishing a normative value system that is supportive of the regime itself. The observation that *Pancasila* is an ideology that is promoted by the New Order regime to justify itself is, therefore, not exceptional. Under such conditions, issues of political legitimacy emerge within the nexus of rationalizations and debates regarding state interventions, with terms specified by the ideological system itself, without threatening the government's claims to the right to govern.[10] With reference to developmentalism, emphasis on collective material well-being provides an ideological foundation for rationalizing state interventions as necessities for economic growth; if growth ensues, the interventions are justified by their very success;

the legitimacy of the ruling group is gained and reinforced. In this close-circuit ideological logic, political legitimacy depends not on the building of liberal democratic institutions but on meeting the material promises to the governed.

On Democracy

Procedurally, a democracy is constituted by the following conditions: as a government by the people there should be participation by the people in the management of the nation; however, since the population size of a modern state exceeds the possibility of direct participation, it can only be achieved through representation. A basic necessary condition of democracy is thus free and open competition for leadership, through elections that are free of interference by interested parties. Where "free and clean" elections are not the political norm, the ruling group's legitimacy is always suspect by all.[11] The issue of democracy is relevant in a non-liberal nation because clean and free elections hold the elected individuals responsible and responsive to the electorate, and thus prevents abuse of administrative and legislative power through arbitrary decisions. However, significant differences exist in interpreting the meaning of elections. In a liberal state, the elected may see themselves as the voices of those they represent and diligently seek the latter's opinions on different issues before taking a decision, in order to satisfy most of the represented. In contrast, non-liberal leaders may interpret their election as being bestowed with the trust of the electorate and thus have the mandate to decide for the latter, presumably with their best interest in mind. Correspondingly, the expectations of the electorate may also differ. In a liberal state, the electorate may accept tardiness in decision-making, even lament the inaction of the elected; in the non-liberal state, the electorate will likely expect the elected to act on issues at hand judiciously and with speed. The non-liberal mode is prevalent in developmentalist Asian countries; nevertheless, the necessity of free elections preserves political elbow-room for critics of the government and opportunities for democratization.

The above explications show that, conceptually, a democracy in a cultural context where individual rights are not privileged will have to have the following features: first, collective interest is prioritized in the national decision-making processes and outcomes; that is, it embodies a "communitarian" ideology. Secondly, the state arrogates to itself the role of the promoter and vigilant guardian of this collective well-being; it tends to be an interventionist state. Thirdly, it can be democratic if its political leadership is freely elected and responsive to the scrutiny and demands of the electorate. With the emphasis on consensus and communitarian values "enshrined" in the *Pancasila*, this conceptual framework may be used to examine the possible future democratization of Indonesia.

Background to the 1990s

Upon independence in 1949, a constitution for a parliamentary democracy with power entrusted in an elected Prime Minister and Cabinet was instituted. General elections were promised. However, party quarrels and factional fights forced various coalitions to form and disband as successive interim governments, from January 1950 until the first election in 1955. When the election was finally held, it proved to be anti-climactic for the newly enfranchised citizens. Factional and party conflicts continued as no majority party emerged to form a stable government. Regional secessionist movements became blatant, with military governors directly assuming civil administration, making it legitimate for the army to step in. In March 1957, President Soekarno declared a state of emergency, effectively ending parliamentary democracy, which had by then lost much of its appeal for the ordinary people. Negotiations for establishing an interim government continued for two more years before the constitutional crisis was resolved by the dissolution of the Constituent Assembly and the installation of the presidency and the reinstitution of the 1945 Constitution.

The period between 1949 and 1959 was thus characterized by serious failures in state formation.[12] Instead of leading to the emergence of a united nation, liberal democracy provided ideological justifications for conflicts between regions, political parties, religions and other interests, leaving the economy unattended or reducing it to a source for corrupted wealth. This period came to be ideologically etched in the collective memory of Indonesians as the "bad old days", and along with it liberal democracy as an undesirable political system.[13]

The 1945 Constitution was fashioned under conditions that required centralized decision-making in order to carry out the armed struggle against the Dutch. It

> accepted the principle of a unitary state rather than a federal state, with a powerful presidential executive. Ministers were to be chosen by the president and were to be responsible to him and not to an elected assembly. Provision was made for a "People's Deliberative Assembly" (Majlis Permusjawaratan Rakyat or MPR) which was to be the repository of popular sovereignty, which would elect both president and vice-president and determine the main lines of state policy, but which was not designed to exercise very much control over the president once he had been elected... The legislative body, the Dewan Perwakilan Rakyat (People's Representative Council or DPR) was subjected to a

> presidential veto and had no power to direct the executive. Even its legislative powers could be by-passed through the use of the president's emergency powers to issue regulations.[14]

This clearly provided for the possibility of a dictatorial president but, given the political chaos, even Soekarno's critics, worn down by uncertainties and disagreements, "were disposed to feel a sense of relief that, for good or ill, the constitutional question was not disposed of".[15] Thus began a period of so-called Guided Democracy.

In spite of constitutional provisions, Soekarno was unable to exercise much power because he was not in control of the necessary coercive state apparatus, which was in the hands of the formally unified army. Instead, he was caught in the constant struggle to balance the pressure of the Indonesian Communist Party (PKI) and the military, the two major political players. In the meantime, the economy continued to deteriorate, exacerbated by Soekarno's own militaristic adventures, in the seizing of West Irian and in *Konfrontasi* (Confrontation) against the formation of Malaysia in 1963.

Events came to a head on the evening of 30 September 1965. Six military generals were murdered in an allegedly PKI-inspired attempted coup. The coup collapsed immediately. By the next day, its leaders had surrendered to the man of the hour, General Soeharto, who had co-ordinated the counter-coup activities. The next six months saw the worst mass massacre in the history of modern Indonesia of alleged or true communists and their sympathizers. General Soeharto was subsequently installed as Acting President. He replaced Soekarno as President in 1967, and remains in that position till today.[16] The military moved in and installed its personnel at every key position of power in politically and economically strategic ministries, regional and central bureaucracies and state-owned firms, especially in the trading and oil industries.[17]

The then historical material conditions and the coup attempt provided President Soeharto with a very substantial measure of ideological/moral authority over a nation that feared it was facing political and social chaos. In contrast to the "chaos", the post-1965 regime has been ideologically labelled the New Order and the population's desire for social order has become a collective psychological weak point that is subjected to the state's ideological manipulation. This historically-determined moral claim is part of the symbolic resource, together with the real economic growth of the subsequent twenty-five years, that were used to elevate Soeharto to the title of "Father of Development".

However, as in other instances in which social order and economic growth constituted temporary exchanges for the suspension of democracy, the desire for the latter returns once social order is observable and economic growth on track. Since the mid-1980s, issues of democratization have been raised again in Indonesia, with added urgency because of Soeharto's eventual retirement. The conditions within which the issues have been raised are very different from those of a nation struggling to emerge. The existing regime has engendered substantial economic growth and has thus gained a significant measure of legitimacy among Indonesians. A review of the economic conditions is therefore in order before discussing the regime's attempt to institute a new ideology as a response to the issue of democratizaton.

Political Discourse in the 1990s: Economic Growth

The two decades following the 1965 coup constituted the first sustained period of industrialization in modern Indonesian history. The New Order regime's determination to industrialize has been emphasized in successive five-year plans since 1967.[18] Between 1970 and 1984, industrial output more than quadrupled, growing very quickly from a very small industrial base. Two of the highest growth years were registered in 1974 and 1980, following hefty increases in the global price of oil, symptomatic of the importance of oil wealth to Indonesia's economy. Throughout the late 1960s to the mid-1980s, the state sector was the engine of growth:

> The economic power of the state was underpinned, not only by its position as the most important single capital investor, but by its close regulation of the economy through protective policies and its control of economic activity through allocation of concessions, trade licences, contracts and access to joint venture partnerships with foreign investors.[19]

However, with declines in oil wealth after 1981, the state was forced to progressively deregulate the economy, making room for more private investments. By 1990, the proportion of investments in manufacturing between the public and private sectors was reversed, with 30 per cent for the former and 70 per cent for the latter.[20]

In spite of the rapid growth in manufacturing, Indonesia in 1990 remained an agricultural economy. The impressive performance of the rural sector was signified by the invitation to Soeharto to address the 40th anniversary conference of the Food and Agricultural Organization in Rome in 1985, in recognition of Indonesia's agricultural achievements during the 1970s. This was in contrast to "the 1950s and early 1960s, when FAO figures showed Indonesia's rate of growth in agricultural production to be the slowest of any major Asian country, and slower than many countries in Latin America and Africa".[21] The new growth was due partly to improvements of output per labour unit and partly to government subsidies in fertilizer production, expansion of irrigation systems, general improvement in rural infrastructure and credit, making it the only oil-rich nation with a significant agricultural sector to have spent part of its oil wealth on agricultural improvement.

The rapid economic growth has inevitably changed social conditions. Growth in the industrial sector has spawned in the urban areas a middle class of professionals and civil servants and a business class, notably Chinese entrepreneurs who are well-connected with both the state apparatus and the families of senior military and administrative officers.[22] According to Booth, in rural areas the class divisions among the indigenous population remain stable in spite of arguments to the contrary. However, the penetration of the state, ostensibly to rationalize the commercialization of agriculture, has generated opportunities for the civil service and military personnel in charge of local government. If any landlord has become wealthier it is probably because of gains obtained through bureaucratic connections than through increased production.[23]

These developments have their social and political effects. As economic growth translates into better material well-being, albeit very unevenly distributed, it also provides the Soeharto regime with political legitimacy among the population. The emergence of the various privileged classes, whose interests are tied to the continuation of economic growth, has a moderating effect on the political sphere, hence there is greater political stability. These inextricably tied, mutually reinforcing social, political and economic effects jointly produce a stable society.

The New Order's legitimacy may be summarized thus: it is based on developmentalism whose criterion for acceptance is success; success is manifested if the educated can be absorbed by an expanded economy or directly by the government bureaucracy and by the bureaucracy's ability, in turn, to respond to the needs of those outside it; finally, in the attempts to meet demands from the outside, the bureaucracy is engaged in a continuous negotiation process of accommodation. In Liddle's assessment, the New Order regime was the first government to enjoy substantial legitimacy in post-1950s Indonesia.[24] It is on this foundation of legitimacy that the Soeharto regime is attempting to fashion an Indonesian state with the collectivist ideology of *Pancasila*.

The Indonesian National Ideology, *Pancasila*

The rejection of liberal democracy has been a continuing theme in the political leadership of Indonesia, even before independence. For example, Soekarno's objections to "Western democracy" were tied to the popular critique of the absence of social justice in capitalism.[25] Against this critique, he proposed a set of moral values for the new nation, the five principles of *Pancasila*: belief in one god; nationalism or national unity; humanitarianism (internationalism); democracy as government by representatives and unanimity (consensus) through deliberations (consultation) among the representatives; and social justice. These general values were "Indonesianized" with the argument that they were built on the fundamental element of Indonesian culture, the principle of *gotong royong*, mutual assistance or co-operation.[26] All but the first principle can be readily read as expressions of an underlying spirit of mutual assistance. For example, government by consultation and consensus can be read as the practice of co-operation and arriving at a solution which benefits all, similar to the result of mutual assistance. Indeed, Dr Hatta, the first Vice-President, had attributed the mutual assistance found among farmers as the "indigenous democracy prevalent in the Indonesian village".[27]

Because of the continuing salience of terms like consensus, mutual aid and popular participation in the customary (*adat*) practices of village Indonesia,[28] the New Order regime seeks to inscribe the *Pancasila/gotong royong* ideology in the national consciousness, in spite of the abuse of these terms under Soekarno. Thus, the very first act of the MPR of the New Order was to reaffirm its centrality in the reinstated 1945 Constitution and to declare that *Pancasila* "cannot be changed by anybody, including the elected MPR, because changing the content of the preamble means the dissolution of the state",[29] signalling its ideological significance in shaping the government's activities. The inscription process can be examined through how each of the two terms were promoted conceptually and used practically in the routine management of Indonesia.

The government programmes included, in 1978, compulsory education in the so-called P4 programme (upgrading course on the Directives for the Realisation and Implementation of *Pancasila*)[30] for all civil servants below the rank of Minister and for all students preparing to study abroad. Propagation of the idea was carried out in schools through textbooks on the morals of *Pancasila*.[31] In 1985, all mass organizations, including political parties, were required to accept *Pancasila* as the "sole basis" (*azas tunggal*) of the Indonesian nation.[32] The inscription process was executed with determination and deliberation, eliminating resistance in its path as it progressed from school curriculum to the status of fundamental principle.[33] Concurrently, *gotong royong* became the ideological basis for rationalizing state interventions in rural and urban *kampung* (village) management. First at the conceptual level, as Bowen suggests, "a great deal of official cultural descriptive work was directed towards identifying in each province of Indonesia categories of work or assistance that would fit into a pan-Indonesian matrix of '*gotong royong* practices'".[34] In reality, this was used to "underwrite state intervention into village life",[35] such as in implementing rural development programmes and projects initiated under the auspices of the Presidential Order (*Inpres Desa*).

Under the programme, a grant was given to every village to finance materials not found in the village for improving production, transportation and general welfare; this tended to include the construction and maintenance of irrigation facilities, roads and public buildings. All other necessities, such as labour and money were to be voluntarily supplied by the village. Significantly, outside the terms of *gotong royong*, the "voluntary" inputs for the projects might have appeared as "coerced" inputs,[36] as there were reported instances in which the local authorities had to coerce the villagers to contribute their labour.[37] Clearly, the villagers' sense of the demands depended on their local, historical experiences. Bowen conceptually summarized the different islands' receptions succinctly: local reception is a result of "the refraction of the national term through the local system",[38] that is, of an overlap between the meaning of *gotong royong* used by the state as organized voluntary labour and local usage.

The conceptual and practical levels merge in the ideological representation given in a series of books sponsored by the Department of Education and Culture, each entitled *The Gotong Royong System in the Rural Society of* (Name of Province). Wherever possible, the books would try to link present practices with "spontaneous" and "reciprocal" collective activities of the past, thereby veiling the hands of the state in the development projects, and ideologically transforming the inputs of the villages into instances expressive of *gotong royong*.[39]

These efforts of the state have inevitably had social and political effects. Villagers have been known to use the national ideology as a political tool, "deployed in an effort to resist what was perceived as improperly constituted or executed authority" and as "a standard against which state practice [could] be measured".[40] At a generalized level, Sullivan suggests that the state-sponsored meaning of *gotong royong* has penetrated the social consciousness of the urban *kampung*.

> Indeed, the *kampungs* recognize themselves as communities *solely* in *gotong royong* terms: for members, the only *kampung* associations and events of *communal* significance are of the *gotong royong* type or, to be more exact, only *gotong royong* associations and events are *considered* to have any real communal significance. . . In each case, the focal activity or event also must exhibit an official link. . . . Paradoxically, it seems that, while countless patently communal aspects of *kampung* life have no immediate connections with state organs or offices, only

> those with such connections are freely acknowledged as *kampung*-communal. This outcome reflects the ability of sub-village administrative organs to structure communal associations and the power of *gotong royong* representations to inform and validate the process.[41]

In the specific instances of *Pancasila/gotong royong* cited, the terms were used by people to gain advantages for themselves; hence, their commitment to the terms must be treated with analytical scepticism. The penetration of the ideology into the political and social consciousness of the population as a whole will be better served, and analytically more convincing, if instances of self-sacrifice in the name of the national ideology can be found. However, it will be shown later that the political activists, in Jakarta at least, were willing to operate within its ideological confines.

The *Pancasila/gotong royong* ideology emerged from the ideological conflicts of the parliamentary democracy years. Specifically, there was an intense struggle between the idea of an Islamic state and one based on *Pancasila*, which embodies explicitly the idea of religious tolerance. There is therefore no doubt that *Pancasila* was an historical invention. But, there is undoubtedly more to it. As an abstract concept distilled from traditional sources, it also distorts the traditions in the process. Thus, for example, the very term *gotong royong* is itself an invention of the 1945 debates, as none of the actual practices of mutual assistance in the villages were known by that name.[42] The legitimacy of the *Pancasila* ideology is therefore based on this refracted reference to Indonesian indigenous culture, and through it collective well-being is emphasized over individual rights.

On Politics: Absence of Democracy

Using the 1945 Constitution to the letter which, as mentioned earlier, is practically tailor-made for dictatorial leadership, the regime fashions a governmental system that concentrates political power in the single person of Soeharto. In spite of the re-introduction of elections to the DPR (Parliament) since 1971, at five yearly intervals, the military-backed authoritarian system is still in place. Supposedly to preserve the unity of the armed forces lest they take sides with different parties, its members are not entitled to vote; in return, the armed forces are given 20 per cent of the five hundred seats in the DPR. The remaining four hundred members of the DPR are elected, with proportional representation from the three political parties, namely, Golkar, the "political party" initiated by the regime itself and backed by the armed forces, the United Development

Party (PPP), of the enforced coalition of previous Muslim parties, and the Democratic Party of Indonesia (PDI), again an enforced coalition of previous socialist, nationalist and Christian parties.[43] However, the list of candidates of each party is subjected to presidential veto prior to the elections; the veto enables the President to effectively dismiss potential candidates with oppositional views.

The actual distribution of the remaining four hundred candidates to each party is decided by the electorate, preserving, in principle, the competitive element in the elections. In practice, however, regional governors who are members of the armed forces tend to exercise very substantial pressure on those who depend on the bureaucracy, directly or indirectly, for their livelihood to vote for Golkar. Nevertheless, segments of Indonesians do vote in every election for the two opposition parties. Thus, while Golkar has always won since the institution of elections, its majority declined slightly in the last election in May 1992, perhaps as a result of the armed forces' relatively hands-off stance during the elections.

The President's political control, already strengthened by the controlled elections, is further reinforced by the composition of the MPR, which meets once every five years to elect the President and to set general policy guidelines for the nation. Of the current one thousand members of the DPR, five hundred are automatically members of the MPR. The remaining half, who represent various regions and occupational and functional groups, are nominated and appointed by the President himself. If one adds to this latter five hundred, the one hundred members of the armed forces in the DPR, two-thirds of the MPR members are effectively the President's appointees. As a two-thirds majority is needed for any changes to the Constitution, the President's position is sealed. Consequently, the MPR, instead of submitting development guidelines to the President and the Cabinet, receives and accordingly approves the guidelines prepared by the latter.

The centralization of power extends into the rural areas as well. The different levels of administrators are increasingly being appointed by the central government instead of locally nominated or elected. This bureaucratization increases the efficacy of the state machinery but reduces the ability of the local population to affect the issues that govern their everyday lives. Furthermore, appointed officials are unavoidably oriented towards the central government for their career interests rather than to the interests of the local community.[44]

In sum, the military-backed regime, in spite of having acquired a substantial degree of political legitimacy through its economic performance and assiduously inscribing a national ideology in the body social and body politic, which emphasizes collective interests, consultation and consensus rather than competition as the basis of decision-making, remains politically uncertain because of failure to carry out free elections. Ironically, the regime itself has deemed it important to be seen, at home and abroad, as a democratically-constituted government for pragmatic reasons: "without a reasonable degree of political freedom and without parliamentary elections Indonesia could slip into a more or less military dictatorship from which disruptively massive political disaffection could more easily arise", "complete alienation of the major political parties would impede economic development", and "foreign government assistance might in several cases be jeopardized unless somewhat more than the trappings of democracy were maintained".[45] This need to maintain a modicum of democratic electoral process is an important window and provides elbow-room for political activists in Indonesia who desire greater democratization.

Current Discourse on Democratization

The question of democratization in Indonesia is itself determined by the current historical conjuncture. First, it is generally accepted that there is no one within the existing political élite who possesses the same depth of power and control over the military as President Soeharto. The historical condition that propelled him into power constitutes a moral resource that is exclusive to himself; subsequent political stability produces no crisis of similar proportion to the 1965 coup. In addition, the massive oil wealth of the mid-1970s had enabled him to satisfy the needs of a wide network of political patronage beholdened to him personally and still place large sums of money for rural and infrastructural development, resulting in the impressive economic growth which has enhanced his political legitimacy. The downward spiral of world oil prices has led to pressure for the state to relinquish substantial control of the economy. His successor will have neither the historical/moral nor the financial resources that have kept Soeharto in power. He will have to establish a new network of political alliances, thereby providing room for greater political manoeuvring.

Secondly, as the capitalist economy develops, structurally determined inequalities are inevitable. The most apparent is that it has spawned a noticeable layer of the middle class and a very small but visibly rich entrepreneurial class of bureaucrats and Chinese businessmen. The social inequalities are exacerbated by extensive financial involvement of the upper echelon of the military and political bureaucrats — directly or by proxies through their family members or both — with entrepreneurs in monopolistic enterprises, protected by exclusive licences issued by the politico-bureaucrats themselves. The common claim that corruption is a generally accepted Indonesian way of life is dubious. All the claims in terms of traditions of patron–client relations or patrimonialism will not erase the concrete material deprivation and social oppression faced by the working class and the poor, nor will it prevent such practices from becoming an endemic political issue. If the deprived majority does not revolt openly, it is more likely due to their powerlessness than any presumed deep-seated cultural acceptance of their lot.

The above elements, among others, have conjuncturally given rise to a sense that "things must change", although each has its own logical unfolding. Social inequalities which have evolved over time, are a perennial problem of capitalist societies; and there are no logical reasons for such inequalities to emerge as an urgent problem at any particular point in time. When they do, they are likely to be triggered by other politically significant events; in this case, the issue of succession to Soeharto.[46]

One of the directions of change is towards democratization. The current discourse on democratization may be divided into two: academic analytic discourse and the discourse of politically engaged Indonesian intellectuals themselves. The two differ significantly. The former is essentially a Western liberal interpretation, which strenuously avoids the mention of or derides *Pancasila*, while the latter interprets the current conjuncture within the confines of the national ideology and the 1945 Constitution.

Western Analytic Discourse

At the forefront of the new analytic initiatives are the liberal democrats. Drawing from the democratization effect of the bourgeois revolutions in the West, great store has been placed on the middle class as the vanguard for demanding greater political democracy. The most comprehensive and carefully couched statement is by Lev.[47] He traces the rise of the middle class to the declining position of the *priyayi* officials and the ascendency of graduates from public and private universities during the Guided Democracy period. After 1965, the number of professionals increased dramatically. While most are in state employment, increasing numbers are employed in the expanding private sector. According to Lev, their ideological coherence as a class emerged as a result of their increasing suspicion of the state and its managers under Guided Democracy; although they sided with the military in 1965 and their much improved economic position is the result of the economic changes brought about by the New Order regime, the suspicion against the state remains. In addition, there is an expanded realm of shared desires.

The first is the desire for the reduction of the presence of the state in personal affairs. One particular area is religion. According to Lev, contrary to the past when a significant section of Muslims desired a conflation of state and religion into an Islamic state, from the late 1980s there appeared to have been a change of opinion among the majority of the Muslims. Realizing that the New Order regime was unlikely to establish an Islamic state, it seemed more prudent to protect the religion from the encroachment of the state. As Christian Indonesians have always accepted the separation of state and religion, largely because of their minority status, there thus appears to have been a convergence of interest between the two groups in protecting religion as part of a private sphere.[48]

The second is the presumed attractiveness of the idea of "rule of law" to the middle class: "to entrepreneurs, especially those without direct lines to political power, for the standard reasons of certainty, regularity, predictability, and low cost efficiency of business operations; to upwardly mobile students for reasons of employment by merit rather than ascription or connections; to ethnic and religious minorities for reasons of protection from and equalization to ethnic and religious majorities; to Islamic groups partly for the same but more subtle reasons, given the evident demographic majority but political subordination of Islam".[49] The appeal of the "rule of law" is because it checks corruption, official malfeasance, and abuse of authority, which are results of arbitrary decisions of the state officials and arbitrary restrictions of the state itself. Lev appears to further suggest that even the middle class civil servants may be in favour of the rule of law because its absence means that those who are in the state machinery "enjoy no compelling social or political legitimacy that naturally attaches to them".[50] However, it should be noted that absence of the rule of law is also the window to quick wealth for many of the middle class, especially civil servants with what are called "wet" jobs which provide wealth-making opportunities.

Lev believes that, numerically, the middle class, especially the professionals and entrepreneurs in the private sector, has reached a critical mass, and their ideological coherence as a class may have gelled sufficiently for them to enter into political contest with those who are in control of the state. He argues that with the emergence of their demands and attendant criticisms of the state, the traditional patrimonial legitimacy of Soeharto's regime is shakened and that to preserve continuing legitimacy, he cannot avoid dealing with the new middle class.[51]

The liberal democratic underpinning of Lev's analysis is disclosed in a brief addendum to his main argument. He sees the emergence of a "private" sphere as the foundation for the formation of interest group politics and for contests between the middle class and the state; the suspicion of the state which he attributes to the Indonesian middle class is a quintessential character of liberal democracy. The increased significance of the private sector in an economy that is moving away from state dominance enables him to make a link between entrepreneurial economic interests with interests in greater political liberalization. Finally, although admitting some discomfort for doing so he, nevertheless, categorically labels these developments as "Indonesian liberalism".[52] Western analysts' desire for the establishment of liberal democracy in Indonesia is of long genealogy,[53] in spite of the prevailing sentiment that "the term 'liberal' or 'liberalism' has until today had a bad connotation in Indonesia, and has even been regarded as a source of threat to Indonesia's national security".[54]

The most pointed, substantive and theoretical critique of Lev's general thesis comes from the neo-Marxist angle of Robison. While not denying that the urban intelligentsia have been the sharpest critics of the New Order regime, Robison questions the extent of their liberalism; "even the liberal elements have been willing to endure a certain resentment aroused by the authoritarian and arbitrary nature of military rule and the corruption of state officials as a trade-off against continuing improvements in their economic position".[55] Furthermore, the successful "institutionalization of the regime has made it far easier for individuals to succeed and survive within the ranks of the apparatus and its front groups than without it".[56]

At the conceptual level, Robison reads the tendency to ascribe to the middle class a liberal political orientation as the result of an Americanization of Weber's concept of class. According to him, "[T]he emergence of industrial capitalism, in particular, required a rational system of political and bureaucratic authority to enable capital accumulation to proceed",[56] and the bourgeoisie was the new social group that carried within its corporate interest the pursuit of progressive rational organization of the economy and society. However, "whereas Weber saw rationalisation of authority and economy leading to a foreboding world of corporations and bureaucracies and the alienation of individuals, the North American liberal pluralist saw these forces as liberating the individual and enhancing democracy",[58] while the middle class becomes bearers of modernity and democracy.

Equally significant to his insistence on liberalism as the "progressive" ideology for the middle class is Lev's neglect of *Pancasila*. Again, Robison strikes a different chord. According to him, "the mass of the Indonesian 'middle class' has an ideological vision which does not extend beyond the authoritarian corporatism embodied in the state ideology" and for every liberal there is one from the "intellectuals of the corporatist state".[59] Generally, he argues that the liberal critics have since the 1970s been repressed into political ineffectiveness on the campuses, in the mass media[59] and in the state apparatus itself. Robison is thus inclined to see the growing middle class as being politically absorbed into the authoritarian corporatism of the New Order, backed by a repressive state apparatus and the success of the state ideology of development, nationalism and *Pancasila*.[660] Thus, while recognizing its significance in political analysis, he argues that as a "corporatist" ideology, *Pancasila*, which conflates society and state, is just a tool to deny oppositional views legitimacy[62] and to lend ideological rationalization to what is unavoidably an "authoritarian corporatism". Since it has been used as a tool of exclusion and repression of dissident voices, the promises set out in its five axioms ring vacuous and are unworthy of serious consideration. Such criticism and dismissal of the ideology is quite common among analysts.[63]

For the present analysis, two observations of the Lev/Robison debate need to be noted. First, constitutional protection of individual rights may be incompatible with *Pancasila*. As to the idea of a private sphere, the state will intervene if and when it sees any practice as contrary to the collective interest; the best that can be expected is that the state remains silent and thus allows freedom of practice. However, the "rule of law" is not incompatible for it is a condition that can be realized within a collectivist ideology. Secondly, the substantive linkage that Robison makes between *Pancasila* as a collectivist ideology and authoritarianism needs to be addressed conceptually as there is no intrinsic logical linkage. We will be better able to address this conceptual issue if we have a sense of the actual responses of a segment of the Indonesian intelligentsia to *Pancasila*.[64]

Discourse of the Indonesian Intelligentsia

Just as it is difficult to assess middle class political tendencies, it is difficult to generalize about the responses of the intelligentsia to *Pancasila*, although many have been notable critics of the existing regime. There are, divided broadly, three responses: (i) a rejection of the ideology as a tool of repression, (ii) acceptance that it is useful in particular areas of social life but incompatible or irrelevant in others, and (iii) acceptance that it is an ideology with which one could work with. The basis for outright rejection tends to be similar to that suggested by Western analysts, namely, that it is an ideology for repression rather than democratization.

Sceptical Acceptance

Particularistic acceptance of *Pancasila* tends to come from members of minority groups, for example, Catholics and ethnic Chinese social scientists. They see it as a safeguard against the development of an Islamic state. In particular, in the 1970s, it was instrumental in containing pressures on the state to impose Islamic law on the whole society. On the other hand, minority groups tend to believe that it will fail to establish itself as society's "generalized values". As an example of possible "failure", they point to the economic sphere and argue that values required for modern capitalist economic development, that is, individualism, competition and rationalization, will inevitably undermine values such as consensus and social justice.

In addition, they highlight the economic weakness of co-operatives, which supposedly embody the collectivist spirit of *Pancasila*. This weakness was apparent when the scheme proposed by Soeharto for divestment of a small portion of shares from existing conglomerates to co-operatives was made possible via an economically irrational arrangement. The conglomerates "sell" shares to the co-operatives but payment is made from dividends that may be subsequently paid to the co-operatives because the latter do not have capital for the purchase. Yet, from a certain angle, this arrangement may be read as a means of economic redistribution in the interest of social justice.

Another economic area in which *Pancasila* is obviously difficult to implement is on the shop floor. Unionists complain of the reluctance of employers to co-operate with unions in any fashion let alone consultation and consensus. The high rate of unemployment and a massive surplus labour force make concessions to workers unnecessary. Thus, the official "minimum" wage has become the "maximum" wage where unionization and collective bargaining is instituted which, in itself, is seldom the case; there is no social justice. Such poor labour relations may account for the increasing number of wild-cat strikes in recent years.

The words of an Indonesian sociologist best summarizes the sentiment of the group that accepts restrictively: "we believe in *Pancasila*, but not too seriously". This captures both an appreciation of its value and scepticism regarding its general applicability in contemporary Indonesia and the elite's own adherence to its principles.

Accepting the Ideology

Those who accept the ideology emphasize its "openness". Like all principles, it is subjected to multiple interpretations and thus provides sufficient room for political activities, including greater democracy in the long run; the state's use of ideology to justify coercion is but a short-term expedience, as long-term use will lead to alienation and will ultimately discredit the regime. Given their polysemic character, these terms can be used to expose contradictions in the system which, in turn, amount to critiques of government activities.

Examples of the acceptance and use of *Pancasila* are not difficult to find in contemporary Indonesia. At the macro-economic level, the most notable instance is the debate on the "*Pancasila* economy". Mubyarto of Gadjah Mada University uses the promise of "social justice" to criticize the regional disparities between the Jakarta-Bandung district, which has undergone rapid economic development, and the outer islands and eastern part of the country. For him, the country is now divided into east and west. This is more a conceptual rather than geographical division, and signifies underdevelopment and development respectively, suggesting a condition of internal colonization within the country. Resources of the east, such as Kalimantan, are exploited to fuel the development of the west, which includes exclusively West Java and South Sumatra. If the regime abides strictly to *Pancasila*, such gross regional disparities would not be acceptable. This argument attracted much debate and created sufficient political discomfort for the regime that it had to take Soeharto's public intervention to put an end to it.[65]

Macro-political acceptance and its consequences can be found in the adoption of *Pancasila* by national Muslim organizations. Drawing on the history of Islam in Indonesian nationhood, Wahid, a major Islamic figure of Nahdatul Ulama (NU), argues that the attempt to propagate in the 1930s and 1940s the "ideology of Islam" as an Islamic state failed because the people were geared towards the nationalist struggle. It was nationalism that provided the integrative function and increasingly stabilized the Indonesian state. He argues that Islamic teaching must be a complementary component to ideas that give form and content to people's daily lives and should not have a disintegrative function in the life of the nation as a whole.[66] Islam must therefore be contained within the political reality of multi-racial, multi-religious and multi-cultural nationalism of Indonesia. Within this nationalist context, Islam's influence should be directed to the cultural front where it should change the culture of the nation, rather than be involved in political and ideological confrontation with the state.[67] This cultural orientation and the absence of support of the Muslim masses for an Islamic state constituted the basis for taking NU out of the Islamic coalition party, the PPP, and for direct political contestation and the acceptance of *Pancasila* as the integrative national ideology rather than promoting the possibility of an Islamic state.

Consequently, Wahid was particularly anxious about Soeharto's attempts to woo the Islamic ground in 1990–91, as evidenced by his increasing use of Islamic symbols in state offices and functions and, most notably, in his *haj* to Mecca. Wahid's reading is that, with increasing distance between the armed forces and the President, the latter is attempting to cultivate a new base of political support. He is concerned that this overt cultivation of the Islamic ground may renew the unrealistic demands of Muslims for an Islamic state, which may in turn lead to political instability.[68]

For his part, he has taken his political interests into the formation of the Forum for Democracy, a coalition of urban intellectuals without religious or ethnic identifications, which has very quickly become a front for politically progressive ideas in Indonesia. On 19 April 1991, the Forum organized in Jakarta an informal "get together" to celebrate the Muslim holiday of the end of Ramadan, the fasting month. The event was banned by the authorities at the last minute when Forum members had already gathered. Instead of resisting, Wahid distributed a prepared press statement and proceeded to indict the authorities for the absence of democracy in spite of its being one of the principles of *Pancasila*,[69] showing how the national ideology could be used against the state.

In addition to macro-political and economic issues, mention has already been made of instances in which *Pancasila* has been used by villagers as "principles" for countering the activities of appointed administrative officials, and of how *gotong royong* rhetoric has become the cognitive basis for recognizing communitarian activities in urban communities. All these substantive instances are important to our understanding of ideological practices as a double-edged process, an issue which will be addressed in the next section.

What the above substantive instances signify is that given the chaos of the brief period of constitutional liberal democracy, "for which both the Old Order and the New Order have shared a deep loathing",[70] the demise of communism in Indonesia in 1965 and the unsuccessful bids for an Islamic state, there is no alternative ideology but *Pancasila* currently at play in the Indonesian political sphere. It has become entrenched as a pillar of New Order legitimacy, and consequently, ideological struggle in the current political conjuncture would best be conducted within its constraints.[71]

Towards a Democracy without Liberalism?

Given the evidence of both particularistic and relatively generalized acceptance of *Pancasila* as the national ideology, it is now possible to return to the issue of the compatibility with democracy of such a collectivist ideology. As there is apparent truth to the sentiment that in practice it spawns authoritarianism, it is necessary to identify the source of this affinity at the substantive and conceptual levels separately. Substantively, instances of political criticism and contests with state agencies will show that the political sphere is not hermetically sealed by the repressive apparatus of the authoritarian regime. Conceptually, it will be argued that the tendency of collectivist ideology to slip into authoritarianism can be checked by the institutionalization of "clean and free" elections, without concurrently subscribing to individualistic ideological systems.

Substantive Politics

Given the "chaotic" conditions under which the New Order regime came to power, a strong government with an effective development programme was not without supporters. Arguably, there was popular acceptance of Soeharto's authoritarianism as a short-term bargain and relief from the instabilities. Unfortunately, after twenty-seven years, the authoritarianism remains and *Pancasila* has been used as a tool to suppress dissent. Dissent may be construed by the state as individualistic, thus anti-collective interests, anti-*Pancasila*, and tantamount to being anti-Indonesia. However, such exploitation of the ideology should not lead to hasty conclusions that authoritarianism and collectivist ideologies are conceptually inextricably linked.

As the previous section showed, critics and activists were able to hold up *Pancasila* as a mirror against which existing social reality is reflected. Thus, poor income distribution is interpreted as failure to fulfil the principle of social justice. The arbitrary actions of state agencies are interpreted as contravening the consultation and consensus principle. Contrary to past rejections, the opposition has learned to strategically use *Pancasila* as a political resource for terms that the state is unable to cast, as socially disruptive and anti-Indonesia. Such a strategic counter to state interventions signals that the ideology generates its own terms of accountability and acceptability within a normative environment specified by itself; all political actions, including those of the state, are subjected to the "discursive" logic, that is, that the actions must be discursively redeemable within the normative system.[72] Thus, not only, as Heryanto suggests, is there no ideology so hegemonic that it exhausts all the resources for resistance,[73] but *Pancasila* is like every explicit ideology, a double-edged tool.

Operating within these terms, much direct and indirect criticisms against the state, its agencies and functionaries, can be generated. Some of the more prominent items are: the extensive involvement of the President's family members in obtaining monopolistic licences in the business world, thus alleging bureaucratic corruption; the increasingly visible presence of ethnic Chinese conglomerates, presumably to the detriment of the *pribumi* business community; the apparent failure to solve problems of urban and rural poverty; and finally, instances of local grievances that result from arbitrary activities of state agencies or management practices.

Politics of Demonstration

In the last few years, criticisms against government-backed activities have often been coupled with small public demonstrations. For example, squatters whose land had been acquired either by state agencies or private enterprises would demonstrate in front of the Parliament or relevant ministry buildings to voice their objections. Of greater consequence have been wild-cat strikes in the manufacturing sector, in which not only production has been lost but often buildings and machinery destroyed. There were more than a hundred strikes in 1991. Given the authoritarianism, suppression of such strikes is not unexpected. What is more significant in terms of political development is that repression is often softened by accommodation from the authorities; for example, Soeharto has explicitly called on enterprises to allow unionization at the work-place by the officially-sanctioned centralized trades union congress, the Sarikat Perkerja Seluruh Indonesia.[74] On the whole, the New Order regime now appears more tolerant of demonstrations, which it once practically outlawed.

The increased use of public demonstrations is itself a reflection of the awareness that the formal political structure is not an effective channel for addressing grievances because the "elected" representatives of the DPR are powerless against the centralized bureaucracy. On the other hand, openly confronting the bureaucracy and attracting maximum public attention may embarrass it into action, if only to preserve its legitimacy. Indeed, bureaucrats, including members of the DPR, appear to have developed new skills to meet such demonstrations. They have become adept at temporarily appeasing the demonstrators, diffusing anger and taking issues backstage. Nevertheless, such criticism combined with demonstrations have created, especially in the two or three years that led up to the May 1992 general elections, a sense of intensified political debate and activity, which has in turn been interpreted as signs of disquiet by a population agitating for political change.

Public pressure has achieved some success, giving encouragement to the political activists themselves. For example, public outcry prevented one of Soeharto's sons from monopolizing the collection of television licence fees on behalf of the state agency. Another of his sons failed to monopolize the clove trade: systematic boycott of the Chinese cigarette (*kretek*) makers caused the financially well-endowed monopoly enterprise — through a generous loan from the state bank — to go bankrupt and cause havoc for the small clove farmers, resulting in direct state intervention to "resolve" the problem. Public pressure also led to the establishment of a Ministry for Administrative Reform, the aim of which is to rationalize the bureaucracy and improve its delivery efficiency. Such pressure further resulted in the establishment of an "administrative court" to hear and address issues concerning the legality of administrative regulations and practices.

The above *ad hoc* informal political activities have been pessimistically labelled by some as the "politics of desperation". Indeed, Indonesians themselves realize that the formal political process may win concessions from the state on single issues, but may not generate enough pressure to change the political structure, which has been so manipulated as to insulate the centralized power base from responding to public demands. However, the intelligentsia and activists are not without direction in terms of the evolution of the Indonesian polity.

For Rule of Law and Elections

Before charting out the desired directions, potential negative consequences which should be avoided have been identified by some intellectuals and activists. First, there is a need to avoid bloody confrontation with the state in order not to give it an opportunity or excuse to return to the repressive days of 1965. Secondly, they must avoid reproducing the political scenario of 1992 Algeria, where the general election victory of the fundamentalist Islamic party led to immediate abdication of moderate civilian politicians and subsequent miltary intervention. Thirdly, they must avoid splintering the nation along ethnic lines, such as Yugoslavia in Eastern Europe after the demise of authoritarianism.[75] The need to avoid these tendencies has produced in activists, often involved with radical politics in the past, a measure of moderation in terms of political demands and strategies. It should also be noted that an implicit support of *Pancasila*, in its specific usefulness of avoiding an Islamic state and in its general integrationist tendency, may be gleaned from the list of negative scenarios that are to be avoided.

In terms of the positive political development, protests against arbitrary decisions of state agencies as a form of abuse of political/administrative power points to the desire for the regularization of government practices within specific guidelines and rules. It also suggests the need for proper formal grievance procedures for those disadvantaged by the decisions. In short, a greater transparency of the bureaucracy and its practices through the "rule of law" is called for. In this instance, the formation of the earlier mentioned "administrative court" is clearly a step in the desired direction. Furthermore, it is anticipated that as a result of deregulation and the urgent demand for foreign investments in the economy, greater use of the "rule of law" will be instituted in the business sector, as in the honouring of negotiations and contracts, and that such practices will spill over into other sectors of social and political life. This will thus enhance the momentum of development of the process that is already taking place in the administrative court. In summary, the emerging issue of "rule of law" can be and is being raised without the need for concurrently invoking liberal-individualism as the underlying political ideology.

Pancasila and Democracy

Another desired development is the institutionalization of elections for all members of the MPR and the DPR, thus raising the issue of compatibility between *Pancasila* and democracy. As mentioned, it has been suggested that collectivist ideologies in practice engender authoritarianism. Yet, Indonesians who are able to fashion a political practice are calling for free elections to be institutionalized within *Pancasila* without apparent irony. The underlying issue posed by the apparently contradictory positions on collectivist ideologies is: How is the "collective" interest to be constituted?

In modern states, direct political participation is impossible. Given the technical difficulties, decisions regarding national interests tend to fall on the national leadership, whatever the prevailing ideology. The effects of their decisions on the community are observable by the consequent results. However, in contrast to liberal democracy where elaborate rules of protecting individual rights against the leadership are in place, a collectivist ideology provides no such protection. Contrarily, ideological justifications for state intervention in the name of the collective interest are present. Without countervailing power to police the leadership, the welfare of the collective is thus dependent on, indeed at the mercy of, personal or group ethics of the leadership; that is, there is the risk of easy slippage into authoritarianism. Little prevents the leaders from "privatising" the nation's resources for themselves, as evidenced by rampant corruption found in authoritarian regimes. Even when the leaders take the moral high road and improve the conditions of the community, it is regarded as a coincidence rather than in the nature of authoritarianism itself; hence, one gets such contradictory concepts as "benevolent dictatorship". The easy slippage into authoritarianism constitutes the often found substantive linkage between itself and collectivist ideology.

The substantive linkage lies, therefore, in the absence of accountability of the leadership to the citizens, rather than in any intrinsic character of the ideology itself. What is required are mechanisms to enforce responsiveness and responsibility to the community. One such mechanism is the democratic election process, which holds the leadership accountable to the electorate on the threat of being voted out of power. Where there is a free election, authoritarianism as a political practice is seriously constrained if not jeopardized. This explains the authoritarian regime's abhorrence for elections, and how they justify themselves in terms of conditions of emergency, promising to return to electoral politics when conditions stabilize. Free elections are precisely called for by Indonesian political activists, with their concurrent acceptance of *Pancasila* and the 1945 Constitution.

The activists are aware that the 1945 Constitution gives the President enormous centralized power. They are willing to abide by it partly because of the realization that national integration of the archipelagic nation, which has a history of regional secessionist movements, requires a strong centralized state. However, to prevent the abuse of power by the centralized state, they call for elections of all members of the MPR and DPR. On the selection for MPR members, the Constitution is silent, which allows the Soeharto regime to interpret it as appointment by the President. The activists argue that in the spirit of the founding of the new nation against colonialism, selection should be read as election; the Constitution therefore does not preclude the demand for election of the MPR members.

As mentioned earlier, because half of the members are presidential appointees, the existing MPR is absolutely in the hands of Soeharto. If all the members were elected, the situation would be reversed as the President would then be beholden to the MPR and would then have to carry out the development guidelines prepared by the MPR or face expulsion from office at its next sitting. This would be in the spirit of the 1945 Constitution. In this case, a strong President and Cabinet that can respond to the collective interests of the ground will be preferred to one who is weak.

The political practices of a segment of the Indonesian political intelligentsia therefore appears to suggest that it is possible to conceptualize a democratic polity that does not embody liberalism as its political ideology and that collectivist ideologies are not logically incompatible with democracy although diametrically opposed to liberalism.

Conclusion

The Indonesian intelligentsia and political activists are clear about the directions in which they would like political change to occur, realizing that actualization of these changes may still take a long time under current conditions. They accept that the armed forces will continue to be a mainstay of the state apparatus, with at best a reduction of administrative presence. They realize that oppositional forces, both organized and informal are still too weak to confront the state, which will harshly repress open confrontation. Yet within such a restrictive environment, they keep up their criticisms and a "politic of embarrassment" by exposing instances of abuse of power and gaining concessions from the state in deeds and in words.

They hang on to all the pronouncements that may suggest the "opening" up of the political sphere. Some of the recent reported statements are: an armed forces spokesman saying that the armed forces are not against a civilian becoming the Vice-President, and Golkar members of the MPR announcing their intention to remove special powers that have been granted to President Soeharto, on the grounds that such extraordinary powers are no longer necessary in view of the political and social stability of the nation. Suggestions presented by several academics to one of the DPR committees for the removal of the reserved seats for the armed forces, in the name of greater democracy, were met with indications that the latter were not adverse to the reduction of their representation.

Changes in the attitudes of the centralized bureaucracy reflect changes in Indonesian society and polity since 1965. The early 1990s is characterized by mutually reinforcing economic growth and political stability; the rise of the private sector both in terms of the economy and the sphere of everyday life, pointing to the declining hold of the state on both the economy and the lifestyles of the citizens; and the emergence of new social problems and movements that are the results of economic growth and political constraints. All these add up to an opportunity for Indonesia to eventually change the nature of its government, to move away from authoritarianism. Of all these elements, the inevitable transition from Soeharto to one who has neither the same quantum of historical/moral resource nor the financial means, and who must find new means of legitimacy poses the best opportunity for greater democratization because the new President may do well to think about democratization as a means of securing new legitimacy for himself.

NOTES

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Liberalization in Myanmar: How Real Are the Changes?[1]

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The State Law and Order Restoration Council regime in Myanmar has over the past one and a half years undertaken aspects of political liberalization that have been both cosmetic and substantive in nature.

Important continuities, such as direct military authority over civilian affairs, are, however, still apparent.

This article argues that both the changes and continuities in Myanmar have not altered the basic nature of its body politic. In fact, the changes that have occurred since early 1992, have largely been tactical rather than strategic in nature, and have only had the effect of placing into sharper relief the inherent tensions and contradictions in the society as a whole.

Myanmar[2] is slowly shedding its State Law and Order Restoration Council (SLORC) chrysalis and moving into a new phase of its contemporary incarnation. It is not likely to be a new era, but it also seems evident that it will not be business as usual, neither as practised under the SLORC since the military coup of 18 September 1988, nor as it occurred since the 2 March 1962 coup and the military-controlled Burma Socialist Programme Party (BSPP). Many critical continuities will likely endure: it seems evident that the basic concepts, uses, and distribution of power, lodged under military command, will remain constant, affecting the future of the country.

Many would question that prognosis, and suggest that, indeed, important changes have been undertaken, and more are promised. Even if the military remains in some position of power, observers might argue, important modifications have occurred since in 1992. These include the shift in leadership from Senior General Saw Maung to General Than Shwe,[3] and what they might characterize as "liberalization". Many political prisoners have been released,[4] dialogue with the ten remaining legal political parties has taken place, universities reopened, and a National Convention begun on 9 January 1993, in a session that lasted a few days and then reconvened on 1 February. The Convention is to set the guidelines for a new constitution, which no doubt will go through some process of popular ratification, followed by new elections. The SLORC has promised the introduction of a multi-party political system, but has significantly set no timetable for the process, which has proceeded almost languidly. Those who believe in change might also note the end of the official endorsement of socialist ideology, if not of the State Economic Enterprises (the public sector), and the rise of the indigenous private sector. They might point to foreign investment, and an increase in international contacts for Myanmar, such as rejoining of the Non-Aligned Movement in September 1992. And they could maintain that the population has been cowed by the coercive might of an enlarged military, as evidenced by the calm in the urban areas.

Others would challenge that premise of real change, questioning the feasibility of a prolonged continuation of direct military authority over civilian affairs. They could argue that the unprecedented nation-wide rise of the masses in revolt in 1988 has cast doubt on how long the present repression could continue, and that democracy will again flourish. They could cogently claim that the 27 May 1990 elections, in which the National League for Democracy won 80 per cent of the seats, indicated an irreversible movement towards popular participation and dissatisfaction with the military in government. They could demonstrate that the formation of the National Coalition Government of the Union of Burma along the border, and its de facto recognition by Norway, gives internal and some external legitimacy to the opposition, and that the Democratic Alliance of Burma (DAB) represents progress in unifying the Burman and minority opposition. They could note the "Manerplaw Treaty" of 31 July in which the National Coalition and the Democratic Alliance of Burma proposed a new constitution. They might also predict internal factionalism among the military, forcing eventual changes in leadership.

These opposing views, juxtaposed here for contrast, graphically demonstrate the problems confronting analysis of events in Myanmar, a state about which opinions are strongly held, and in which data are sparse and even when available often unreliable, where information is viewed as power and is not shared, where access to the leadership is restricted and the media controlled, and therefore where rumours are the most significant resources for analysis. It is no wonder, under these circumstances, that reading the arcane national tea leaves is a daunting task.

Some changes in 1992–93 are clearly apparent, however. The essential issue is the degree to which these changes are significant and indicate a fundamental shift in the direction of the state and its policies. I will contend below that neither the changes, which are real, nor the continuities, which also are substantive, alter the basic direction that the military has imposed on the state, nor have they resolved the inherent tensions and contradictions in the society as a whole. Indeed, they have placed them in heightened relief.

The critical continuity is likely to be the role of the *tatmadaw* (armed forces). The incessant official articulation in the controlled media of the military's present functions transcends the respect, indeed admiration, in which the military is held in many societies, and — at least formerly — also in Burma. The Burmese military has portrayed itself, and would like to appear to be, the nexus not only of power, but of culture and even religion.[5] It is unceasingly portrayed as the sole protector of the state against external enemies, who are characterized as legion although there are no credible external threats bent on the disintegration of national unity that require massive military power. The military is the self-proclaimed bulwark against internal "traitorous minions" who, among other things, are engaged in economic sabotage and other nefarious activities.[6] Through great Buddhist benevolence, the *tatmadaw* has built numerous roads and bridges, resettled squatters, kept at bay scoundrels, internal and external, and generally improved life. The military is not only described as the rallying point of Buddhist (really Burman) culture and national life, but almost as the essential element of national cohesion, much as Buddhism was for U Nu in the pre-coup period before 1962, and as the secular "Burmese Way to Socialism" was in the earlier period (1962–88) of military rule. This subtle shift of emphasis to the military not simply as defender but as the core of society (rather as religion was under U Nu or the socialist ideology of the military was before the SLORC) is a new, important dimension of the military–civilian dynamic, and is more heavily weighted in favour of the military's primary role in Burmese society than anything previous in independent Burma.

The *tatmadaw* considers itself central to the continuity and integrity of the country, and will have "the leading role of national politics of the state",[7] as (according to the military) it has traditionally done.[8] The cardinal crime in Myanmar is that of attempting to split the military which, we are continuously reassured, is not possible and which is united in defence of the common interests. The very vehemence of the SLORC's concern about the unity of the military raises questions about the potential for military factionalism, especially in the post-Ne Win era, into which we have still not entered in spite of his retirement. If the history of Burmese politics since 1937 has contemporary meaning, such factionalism seems virtually inevitable.

Yet the *tatmadaw* is, as it claims, probably the most cohesive institution in a state not noted for civic organizations beyond those connected with religion. This was also probably true in the civilian period before 1962, but any such pluralism that may have existed was intentionally suppressed by the military first directly until 1974, and thereafter through the Burma Socialist Programme Party until 1988. During that period, but even more extensively under the SLORC since 1988 and martial law (which ended in August 1992), mass organizations and any other groups not under its control, influence, or leadership, were stifled, or in the case of political parties emasculated. Thus, the authority of the military centre has been enhanced. The opportunities for political pluralism within the legal structure of the state have been diminished.

Those groups that might be potential centres of pluralism, such as the *sangha*, students, political parties, the minorities, and professional organizations have all been controlled, weakened, splintered, or (in the case of some of the minorities and the National Coalition Government) are in revolt along the periphery of the country. The monkhood has been registered and threatened.[9] The numbers of students gathering together in downtown Yangon (and thus, a major source of demonstrations) are to be diminished through a campaign to expand "distance education" (a type of correspondence course approach to learning), and 10,000 students moved from the University of Yangon campus to the new resettlement town of Dagonmyothit, where a new 20,000 student university is nearing completion. Indoctrination courses were required for professors prior to the reopening of colleges and universities on 24 August 1992.[10] They are said to have been assigned groups of students and are held responsible for their behaviour. Opposition political parties have been purged of their leadership, and vocal dissidents and all remaining members forced to adhere to state policies on constitution formation. The SLORC publicly maintains that it will not negotiate with ethnic rebels until they surrender, but in fact they have negotiated cease-fires with some of the smaller groups, allowing them to engage in their traditional occupations (which sometimes include growing the opium poppy).[11] They have also held negotiations with the Kachins. Under a new government, the authorities will likely provide marginal local autonomy to relatively small (townships and groupings of townships) ethnic communities with which they have such cease-fires, thus "satisfying" the demand for ethnic identity and "autonomy" but denying the minorities any meaningful power at the national level.[12]

In a sense, this is a Chinese model of coping with non-Han peoples: autonomous regions without central influence or authority, a kind of enlarged U.S. Indian reservation approach to minority governance.

There have been careful and ubiquitous efforts by the military to protect and strengthen its centre, ensure internal military stability, and diminish the possibility of factionalism and any non-military influence on its group solidarity. The Cabinet was expanded in 1992 by dividing up the ministries, and regional military commanders, who wield considerble power by virtue of the scopes of their roles which were broadened under martial law, were transferred to Yangon to participate in the central administration, thus reinforcing the centre. Except for a few designated individuals, the rest of the military is allowed very limited contact with the foreign community.

This analysis is not meant to imply that pluralistic centres of power are not possible under any new political configuration, but simply that they have been discouraged. Given the opportunity to regroup, such potential centres are likely to mushroom rapidly in a freer atmosphere.

If the *tatmadaw* has allowed no pluralism external to the state apparatus, it has also prevented institutional pluralism within the government. In the generation and a half of direct and indirect military rule, there has been virtually no separation of powers among the executive, legislative, and judicial branches of government. The judiciary was intentionally destroyed in 1962. The legislature, since it was formed in 1974 until its demise after the coup in 1988, was under the constitutional authority of the only legal party, the Burma Socialist Programme Party, which in turn was military-sponsored and dominated. The executive branch was led by and filled with active duty and retired officers. To rise in the bureaucracy one had to be a member of the party. The military since 1962 has been in complete command, although sometimes in mufti.

Whether the civilian period (1948–58, 1960–62) provided sufficient pluralistic and democratic experience on which to build a future democratic state, and whether that period was in keeping with Burmese traditions, are matters of intense academic and practical concern and dispute. One school argues that the period was essentially a sport, a type of genetic mutation from the essential character of the Burmese tradition and autocratic monarchical rule, while another argues that it (with the limited politics allowed towards the end of the colonial period beginning in 1937) provides an adequate basis on which to build democracy.[13]

Military rule in Burma (Myanmar) indeed has been in accordance with the Burmese tradition. It is in a real sense a direct outgrowth of that heritage in its concepts and uses of power. Historically, Burmese kings were often pre-eminently military leaders. Throughout Burmese history, power has been highly personalized. Authority resided in and loyalty was to the individual, not to the office.[14] The administrative structure of the state was not based on bureaucratic meritocracy, as were the Confucian state systems, but on personal loyalty to the monarch. U Nu, in commenting on the civilian period, wrote about this problem of divided bureaucratic loyalties — between those to the party and those to the ministry. The meritocratic civil service established under colonial rule was expunged by the military following the 1962 coup. The BSPP period and Ne Win's role could equally be cogently interpreted as a revolutionary socialist government or as a traditional monarchy in revolutionary guise, or indeed as both.

Even though Ne Win may have acted as a nineteenth century Burmese monarch and was virtually treated as such (both he and U Nu built pagodas and purified the *sangha* as monarchs were wont to do), and that power was both viewed and exercised in a traditional manner, does this make the civilian period less relevant? The arguments against this position are quite strong. The world has changed, and national expectations have also shifted. Nationalism has grown both among Burmans and the minorities. Societies do undergo transformation, and some do so quite rapidly. The outburst in 1988 and the turnout and voting patterns in the 1990 elections point to profound distrust of the traditional concepts of autocratic government, at least as exhibited in such moments of great stress. Attitudinal changes may be institutionalized rather quickly (as in some other countries) through education and exposure to international trends and thinking.

But Myanmar's military leaders have intentionally isolated the state from external influences insofar as they could. Foreigners were discouraged (24-hour visas were issued for part of the 1960s), citizens legally prevented from emigrating (until 1975, when there was an effort to allow dissidents — from the educated classes — to leave to relieve pressure after the 1974 riots, and since 1988 for the same reason, and also because they provided foreign exchange), and the media were completely controlled. In 1962, communications technology was relatively primitive in Burma. Intellectual isolation was thus possible at that time.

Much as it might like to control the media, the SLORC can no longer do so. The leadership recognizes that it needs foreign technology (for example, for its oil industry), and foreign investment for its infrastructure, to exploit its natural resources, to employ its labour force, and to generate foreign exchange through exports. But transistor short-wave radios are prevalent (there are more radios in Burma per capita — 81 per thousand of the population — than in India), VCRs are not uncommon, and audio and video tapes are smuggled into the country with increasing frequency.

Faxes and copying machines exist in urban areas, computers are more in evidence, and internationally one may direct-dial to Yangon. The state needs, but fears, tourism for foreign exchange generation, and has authorized the building of new hotels. The foreign press have been given some access to the country, especially since the latter half of 1992, because the government has recognized its poor international reputation and has complained about inaccurate reporting, based on rumours. As more Burmese go overseas, and as more of the population residing outside the country (perhaps one per cent) return, if only for visits, one can expect growing political sophistication of the urban and then rural populations over time, and with it changing demands on the state that cannot be repressed indefinitely.[15] The age of possible economic and intellectual autarky is over.

The growing international and internal needs of the state (including the exposure of its leaders to the realities of the world scene and Myanmar's potential place in it) are creating a series of new tensions within Myanmar that its leadership as yet neither shows signs of recognizing nor resolving.

One of these is foreign cultural incursions. Years ago, Ne Win could destroy the drum of a Western band in a Yangon hotel both because it was disturbing him and because it represented cultural influences he detested. It was a gratuitous, but symbolically important, act. Today, whatever the SLORC may prefer, the attempted destruction of foreign influences is both anachronistic and indeed futile. Although attempting to regain an indigenous culture is admirable, extirpating foreign influences to protect one's own cultural system is, given international communications, both impossible and unnecessary. In the Burmese context, it indicates a significant sense of cultural insecurity.[16] In fact, Myanmar has a vibrant, dominant Burman culture that has exhibited its capacity to persist and indeed flourish even under the rigours of colonial rule. (Other societies have modernized with cultural continuity, such as the Japanese.)

Yet this xenophobia is explicitly fostered in the controlled press. The people are told officially that one must not be "aesthetically un-Myanmar" by, for example, wearing neckties or pants or eating cheese; one should not love foreign cultures, and, they are told, foreigners do not really understand or respect them. Indeed, those who have been exposed to foreign influences (for example, those who know well the foreign markets for Myanmar's exports) are often suspect simply because of their knowledge and experience. "Foreign influence", the state says, "is manifest everywhere".[17] "The sleeves of goodwill by foreigners are nothing more than those motivated by self-interest. If their welfare and self-interest are not involved they would not even turn around to look [at us] . . . . Their sole interest is in the promotion of their own welfare and, for this reason, they are interfering and meddling in our affairs".[18] Yet until the cut-off of most foreign aid following the 1988 coup, the state sent many academicians, technicians, and bureaucrats abroad for observation or training in an attempt to transfer technology, which was naively thought to be culture free and politically neutral. In a sense, this was reminiscent of the Chinese modernization efforts at the close of the nineteenth century.

This attempted isolation or insulation is not simply a matter of popular seclusion; it affects the leadership as well. The SLORC as a group has very limited education and foreign experience. Of the eighteen original members, ten have high school or less education, four have some college education, while four have college or equivalent degrees. Only a few have any foreign experience. It is likely that the leaders actually believe most or much of the propaganda that emanate from their controlled press, but which foreign observers of Myanmar read with considerable incredulity. Some of their fears, such as foreign interest in the break up of Myanmar, have sound historical roots even though times have changed and that attitude is no longer and has not been relevant for a considerable period.[19] Yet these fears are perceived to be real; they persist and affect policy formation.

If the present role and power of the military in Myanmar is critical, then the context of the contemporary crisis in the country may in part be considered as a series of military responses to a number of fields: politics and the structure of power; economics and the role of the state and the private sector; minorities; foreign influences; social services; and religion and culture.

Although the few analyses that have been done have pointed out the close link between the military and politicians in the early period of independence (the groups sprang from the same sources and were often related), the military had evidently come to mistrust politics and politicians beginning in the 1950s, have castigated most of them for being self-serving and venal, and have attempted to control the political process by institutionalizing it under its (or its surrogate's) authority. This is the current situation.

In spite of the initial close political–military relationship, it is remarkable how little contact and understanding the top leadership of the SLORC must have with the political views of their population to have so miscalculated the likely results of the 27 May 1990 elections that it has taken two years for it to develop a means to ignore or use them. This is further evidence of the leadership's belief in its own propaganda, an important point often overlooked by foreign observers who cannot believe that the pronouncements of the SLORC could be taken seriously by their authors. It should also be noted that in 1960 the military had backed the Kyaw Nyein-Ba Swe party against that of U Nu, who won that fair election, much to the military's surprise.

The military still perceived power as personal and hierarchical. The failure of the BSPP, according to one high-level military participant, was in its inability to use effectively a system designed to provide feedback from the bottom to the top of the hierarchy (the "report back" system of *Pyithu Hluttaw* members returning to their constituencies, and supposedly incorporating the views of the masses into their activities). This may be inherently impossible within the military hierarchy. In authority structures of this sort, few want to be the messenger or harbinger of bad news or criticism. The decisive question for the future of the military is the post-Ne Win role for military leadership, and whether factionalism — the bane of Burmese and other systems where power is personalized and élites are small — will erupt and threaten the purported unity of the military.

Based on the performance of the military in the Caretaker Government period (1958–60) and the effective operations during the time of the Defence Services Institute, a military-run conglomerate of a variety of industries, the *tatmadaw* believed it could manage the national economy, and that civilians could not be trusted to do so. This deep-seated apprehension of trade and business had its origins in the imperialist and foreign (Western, Indian, Chinese) control of the Myanmar economy, the traditional monarchical monopoly over external trade and exploitation of certain natural resources (oil, teak, and so forth), socialist thinking in the 1930s and thereafter, and a Buddhist concern that capitalism, and thus greed, was the fountainhead of trade and entrepreneurship.

These attitudes remain. In spite of the openings to the private sector and foreign investment beginning in the last days of the BSPP in 1988, the military remains suspicious of business, and it is likely that any new regime in Burma will be highly dirigiste. Mistrust of the traders is a consistent theme of the leadership. "It is necessary [for the merchants] to walk correctly on the economic path laid down by the state . . . ."[20] So much for an autonomous private sector and the market economy.

Not only do the military distrust the private sector and want to control it, but they also seem to believe that the most effective way is to own it.[21] Through the formation of the Union of Myanmar Holding Corporation, a completely owned military venture with 60 per cent of its equity held by the Ministry of Defence's Office of Procurement and the remainder by active-duty units and military and retired officers and capitalized (at founding) at up to 22 per cent of gross national product (GNP), the military will retain their hold of the economy. The Corporation has joint ventures with the Koreans in textile production and with the Macao Hotel and Tourism Ltd. for hotel construction and renovation.[22] Unless the state supplies capital carefully, objectively, and apolitically, and in sufficient quantities (and this has no historical precedent in Myanmar), it is likely that three groups will profit: the Chinese, Indians (all those from the subcontinent), and the higher ranking military, as these are the groups with access to foreign and indigenous capital.

Much of Western thinking about political pluralism is predicated on the rise of a middle class. But if that middle class is composed of non-Burmans and/or essentially the upper echelons of the military, and the economy is popularly perceived to be falling into their hands, then social and political repercussions could be severe. If the economy falters, there could be popular cries for retribution against these minorities and calls for a return to socialist patterns.

Whatever the longer-term effects of these attitudes may be, any new government — civilian or "civilianized" — will be saddled with economic problems that are daunting. Annual inflation is unofficially estimated at more than 50 per cent,[23] and the money supply is growing (more than five times that in 1987). The exchange rate is overvalued by some fifteen times. There is pervasive smuggling. Per capita income fell (to US$204 at the official rate) in 1991. Exports have fallen, official imports remain high, and the public debt is US$4.81 billion and rising. The public sector is unproductive, outmoded, ill-suited for many of the needs of society, internationally uncompetitive in a country with porous borders (and thus massive smuggling), and a drain on the treasury. The official salary structure virtually requires corruption for survival. To assuage public opinion concerning the problem of living costs, housing loans to government personnel have been declared interest free, and the repayment period extended from 10 to 18 years.[24] Salaries and pensions were also recently raised by at least 25 per cent.[25]

Soon after the SLORC came to power, it seemed to be planning to rely on future onshore oil revenues (thus, the ten foreign exploration concessions) to right the economically listing ship of state. These have proven illusive to date, and four of those companies have or are in the process of pulling out. Recent discussions of the previously discovered offshore gas and oil findings in the Gulf of Martaban may now revive that hope with the concept of a pipeline into Thailand, which would slow down the necessity for internal economic reform.

Minority issues remain at the heart of Myanmar's problems and have been so since the establishment of the modern state. Although a few officers of high (but not the highest) rank are from minorities, the military officer corps remains a Burman preserve, and there has been a strong element of mistrust coupled with virtual complete misunderstanding of the nature of the ethnic problems. There seems little interest on the part of the armed forces to expand its ethnic officer corps or to treat the minorities with the respect and power they demand.[26] If present plans for the constitution proceed as hinted at in the controlled press, then the issues will remain unresolved and the wars will continue, sapping the national strength and development effort, and being a tragedy for all involved.

On 31 July 1992 the opposition groups signed the Manerplaw Treaty that voted to create a Federated Union of Burma with eight constituent states (including one for the Burmans), a bicameral legislature, and local autonomy in legislative, administrative, and judicial areas.[27] They denounced the planned SLORC National Convention.[28] The confrontation seems destined to continue.

Myanmar has exhibited strong xenophobic tendencies since independence in spite of the warm and cordial relations with the foreign community. These tendencies, perhaps the result of the colonial experience and the strong, overpowering influences of its Chinese and Indian neighbours, have been intensified as a matter of state policy and used to instill loyalty to the regime and the culture it purports to represent. The constant cries of foreign intervention in the economy may portend efforts to blame the inevitable future economic crisis caused by the military's extreme mismanagement on the foreign community. Rumours abound in Yangon that foreign oil companies have found onshore oil, but are withholding it from the SLORC and awaiting a new government.[29] The tension between the demand for good foreign relations, foreign aid, foreign economic and military technology and training, and foreign markets on the one hand, and such xenophobia on the other is one of the critical elements, among many others, that the military has not yet begun to address.

The military has exhibited little interest in providing expanded social services in the state in spite of an early attempt to do so after 1962. Apart from a series of major literacy campaigns in the 1960s, and 1970s (for which Myanmar won a UNESCO prize), in 1987 Myanmar in effect denounced its own successes to the United Nations General Assembly, claiming that the official figures for literacy (76.6 per cent) were not accurate and that it really was under 20 per cent, thereby qualifying Myanmar to be a "least developed nation" (in December 1987), and thus receive foreign aid at lower interest rates. Although other educational programmes have expanded, the quality has dropped, as proven by the ubiquitous "tutorial" schools that abound and did not exist in the pre-military period. In addition, health services have not grown appreciably, and rural electrification has stalled, or never really started. Although spending in current kyat may look impressive, in constant currency and on a per capita basis, social service spending has probably declined, as has its quality. The one exception has been the 1992 formation of the new Ministry of Development of Border Areas and National Races in May 1992, and expenditures of about US$120 million (at the official rate of exchange) on its activities.

The military has also presented itself as the defender of Burmese (read Burman) culture, and of religion. As we have seen, Ne Win has built a pagoda, and has registered the *sangha*. After repressing the monks in Mandalay in 1990, the *tatmadaw* has been on a major press campaign to show its devotion to Buddhism. This attitude is no doubt real on many a personal level, but it is also evident that *sangha* discontent, and the public's response to it, has potentially explosive consequences, and that the SLORC is attempting to assuage mass opinion by its public piety.

All these tensions remain unresolved, and are likely to continue to fester, poisoning the body politic, and the reputation of the armed forces themselves. Yet, the military acutely fears retribution for past excesses if it were to completely relinquish power, and may also wish to retain the perquisites of power, which even in the Myanmar context are considerable.

In systems where power is highly personalized, and the regime assumes a guise of morality simply because it is the government (General Saw Maung called the government the father — who must be obeyed — and the people the children, who must obey), compromise is especially difficult. Yet, that is what is needed: a set of face-saving negotiations leading to real compromises for both the civilians and the military, for the government and the opposition, and for Burman and other ethnic groups. It seems unlikely to happen soon. Cease-fires with various ethnic groups, large or small, are desirable because they save lives, but they alone will not resolve the fundamental issues which need to be addressed — that is, compromise in the distribution of power.

Yet other states have attempted to make the transition from military to civilian rule, from autocracy to pluralism, with some success: Spain, Argentina, Chile, and Uruguay come to mind. Virtually by definition, such compromises have not been completely satisfactory to any of those involved, which is perhaps why they have been reasonably effective. So too, the Kuomintang in Taiwan has been liberalized. The military has moved off-stage in South Korea. Myanmar needs such efforts. Leaders of the SLORC, however, like General Khin Nyunt,[31] have made compromise more difficult by personalizing their antipathy to Aung San Suu Kyi.

The role of foreigners in this conciliation process is circumscribed. Australia offered to mediate and was turned down. Even in Korea in 1987, where the United States had troops and treaty obligations and extensive influence, it could only assist by limiting Korean military options against the civilian population, and not impose, define, or determine solutions. Any Myanmar regime seeking internal political legitimacy, must resist, or at least publicly appear to resist, foreign influences or control. Yet foreign pressures on the SLORC have been influential if not determining. The SLORC is deeply concerned about the country's international image, and would like to change it. It seems especially anxious about the United Nations, perhaps in part because Myanmar's most famous son, U Thant, was Secretary General. International pressures are having some effect, although not the sweeping changes that many would wish. The most recent example of such pressures has been the February 1993 visit to Thailand and the Myanmar border by a number of former Nobel Peace Prize laureates protesting the continued house arrest of Aung San Suu Kyi, their colleague in laurels.[32] They called for the suspension of Myanmar from the United Nations, and a military and economic embargo. Although these may be actions unrealistic under any circumstances but especially with a potential Chinese veto in the Security Council, they are important statements because they are indicative of concern. The continuing role of United Nations scrutiny of human rights issues and its resolutions are significant, and the laureates went to Geneva for the U.N. meeting that considered the human rights situation in Myanmar.

What tactics, then, should the foreign well-wishers of the people of Myanmar adopt? The options, each of which has its proponents, range from reintroduction of foreign aid on the basis of the "liberalization" undertaken and promised, or to "counter" Chinese influence,[33] to recognition of the National Coalition Government.

Foreign influence is limited but important; yet there is a need for international dialogue with the SLORC. At the same time, funds for the military or for foreign economic aid would not be appropriate if, as this writer believes, liberalization is not fundamental. There are also lessons from the foreign aid programmes to Burma of the 1970s and 1980s that one should learn — too much foreign aid too fast will vitiate reform efforts. But there should be a gradual encouragement of exposure of more and more Burmese leaders and the population to the external world, including training when appropriate. The leadership must be convinced of the possibilities for the country and its peoples if they were to effect real change with compromise within their own society. This approach does not provide Cartesian clear and distinct answers, and thus is not completely satisfactory. But other options may be worse. Many in the opposition would disagree with this conclusion, and call for isolation of the regime in Yangon.

An exceedingly important element of policy is the question of the unity of economic assistance donors, military suppliers, and commercial interests related to Myanmar. This has been lacking. China, Pakistan, Singapore, Poland, and other states have supplied arms even if the United States and the European Community have not done so. China supplies foreign aid and, together with the ASEAN states, is a major trader, although in some businesses such as oil (in which the United States is the largest investor), all the major Western states are involved. Can a coalition be formed, and if formed, kept together, and how far should it go?

Security Council support for any action is unlikely, with China having veto power. Japan would likely want to resume aid if the "democratizing" trends can be demonstrated, and may well use the current National Convention in Yangon as questionable evidence of this. The Japanese do not want to "overthrow" any government, according to their Prime Minister, but rather reform them. They are potentially the most important donor, and Japan has indicated (in Vietnam, China, and Peru) a willingness to ignore the lead of the United States in foreign aid matters. Thailand has much to gain in the short term from a close relationship with the SLORC, as has China, or at least Yunnan Province. There is evidence, however, with the new Thai Government that the former policy of "constructive dialogue" with the SLORC may change to a harder, more public, and less conciliatory position.

A March 1993 regional human rights meeting in Bangkok (in preparation for the world-wide U.N. meeting in Vienna in June) denounced Western-imposed concepts of human rights, and noted that each state should follow its own cultural tradition in the implementation of rights.[34] This effectively ignores the U.N. Universal Declaration of Human Rights, which most of the states have signed, and echoes the remarks on rights violations that the Myanmar Foreign Minister has repeatedly made in the United Nations. It seems unlikely that any Asian grouping will confront Myanmar on this issue. The United States, under the Clinton Administration, seems unlikely to place the issue of Myanmar high on its Asian agenda.[35]

The long-term prospects for major foreign investment, beyond oil, are limited both in terms of political risk and foreign investment legislation. The short-term gains in the extractive industries and trade are, however, considerable. But foreign observers might have a role in pointing out to Myanmar's neighbours that their short-term gains may be less important than their long-term interests. By achieving economic hegemony over Myanmar, China has intensified regional rivalry with India along its still undefined northeast border, as well as with Thailand.[36] If a popular government were to come to power in a new Myanmar, it might not look with the same favour on the present actions of some of its neighbouring powers.

If a Myanmar economically hobbled to any one or several foreign states does not seem to be in the longer-term interests of those states, neither is it in the interests of Myanmar itself. Whatever cachet Myanmar had was because of its neutrality in the Cold War era. Now, that same even-handedness needs to be applied to its economy and the appropriate exploitation of its natural resources. The public sector industries in Myanmar, always inefficient, have been virtually destroyed by Chinese competition that cannot be stemmed even if the government wishes.

There is now no announced SLORC timetable for a "transfer" of military power to a civilian multi-party system. It is likely that there will be a "civilianized", multi-party system in place, but in 1994 at the earliest. In it, we may witness the "Indonesianization" of the military in the proposed National Assembly — where the members will play a controlling institutional role through a large proportion (20 per cent) of reserved seats. They are likely also to occupy many of the élite administrative positions when they retire from the military, dominate the economy and economic policy, and retain the coercive powers of the state. The National Convention now under way, likely to be elaborately scripted by the SLORC, may be encountering some internal debate unanticipated by the regime as reports from Yangon indicate.

The prospects, then, in the absence of a military split or a popular revolt[37] in which a significant segment of the military refuses to adhere to its higher command, may be for some modest institutional innovation, but also for the continuity of military control over those new organizations and the perpetuation of military authority over the medium term. We are witnessing a tactical, not a strategic, shift in the SLORC's public policies.

NOTES

1. This article is based on a paper presented at the conference on "The State, Order and Prospects for Change in Burma", Griffith University, Brisbane, Australia, 3–4 December 1992.
2. The name "Myanmar" was adopted by the SLORC in 1989, and is simply the adjectival form for Burma in Burmese. The state now uses that word exclusively for all of the history of that country. The opposition does not recognize its use, and continues to employ "Burma". The SLORC has also changed the English spelling of many Burmese place names to conform to the written language, such as Rangoon to Yangon. Without political intent, Myanmar is used here to refer to the SLORC period, and Burma, Burmese, etc., in other situations. "Burman" is used as the name of the majority ethnic group, while "Burmese" refers to all citizens of the state.
3. Saw Maung was placed on medical leave on 23 April (SLORC Declaration 9/92), and the next day replaced by Than Shwe (Declaration 10/92). There were rumours that he had been acting incoherently.

4. Some 534 prisoners who "did not endanger the state" were released by September 1992, and more thereafter, but Amnesty International indicates that about 1,500 may still be held. "Myanmar 'No Law at All,' Human Rights Violations Under Military Rule" (New York, October 1992). Some say many of those released were common criminals.
5. The military use of religion has especially been apparent since the repression of the monks in Mandalay in 1990. Religious slogans appear daily in the press. One article notes that "... sacrilegious plans were even initiated to contain and control the *tatmadaw*" (*Working People's Daily*, 9 October 1992).
6. The Chairman of the Rangoon Law and Order Restoration Council warned against traders raising rice prices and noted "... it is about time to stop the method of operating under external influence with an intention of creating difficulties for the state government. He said that a major country, which comes first in starting fires, but comes last in extinguishing fires, is trying to start a fire in our country" (Foreign Broadcast Information Service [FBIS], 11 November 1992).
7. *Working People's Daily*, 3 October 1992.
8. On 9–10 October 1992, the *Working People's Daily* ran articles on the "*Tatmadaw*'s Traditional Role in National Politics". See FBIS, 20, 23 October 1992.
9. There are some 143,152 monks and 164,077 *samaneras* (novices) registered. See *Working People's Daily*, 8 October 1992. After a number of aborted attempts to register the monks, theoretically to rid them of "bogus" ones, the military finally succeeded in the early 1980s.
10. A university is under construction in a satellite town of Yangon, with the intent of moving much of the undergraduate student body there. See David I. Steinberg, "Burma 1992: Plus Ca Change ...?", *Asian Survey*, February 1993. According to official statistics, there were 217,247 students in colleges and universities, of whom 87,881 were in correspondence courses. See *Review of the Financial, Economic and Social Conditions for 1992/93* (Yangon: Ministry of Planning and Finance, 1992).
11. The military in the 1960s adopted the same tactic in the same region, giving local free reign to groups that did not fight the centre, and incorporating their forces into state paramilitary troops called the KKY.
12. See David I. Steinberg, "Myanmar 1991: Military Intransigence", *Southeast Asian Affairs 1992* (Singapore: Institute of Southeast Asian Affairs, 1992).
13. At the risk of oversimplification of complex arguments, the view that the military has been more in keeping with the Burmese tradition and that the civilian period was more alien is represented by Robert Taylor (SOAS, University of London) and Michael Aung Thwin (Northern Illinois University), although each has unique views. The position that the civilian period was important and germane and on which democracy can be built is represented by Josef Silverstein (Rutgers University). Mya Maung (Boston College) has written on the autocratic nature of the traditional and contemporary leadership, but vociferously calls for political liberalization.
14. Michael Aung Thwin, *Pagan. The Origins of Modern Burma* (Honolulu: University of Hawaii Press, 1985).
15. A causal link between plural economic and political systems has sometimes been claimed by international aid agencies, where it is an element of many foreign economic assistance programmes. Although one may create pressures on the other, interrelated change is so long in gestation in parts of Asia (South Korea, Singapore, Indonesia, China, Vietnam, and so forth) that it is programmatically irrelevant over the medium term.
16. For a recent example, see "Modern technologies have to be developed without disrupting traditional, cultural mores", *Working People's Daily*, 19 January 1993, p. 1.

17. *Working People's Daily*, 10 October 1992.
18. FBIS, 4 March 1993, from *Working People's Daily*, 3 March 1993.
19. For a discussion of this issue, see David I. Steinberg, "The Role of International Aid in Myanmar's Development", *Contemporary Southeast Asia* 13, no. 4 (March 1992).
20. *Working People's Daily*, 4 November 1992. There are innumerable examples of this attitude in the press, beginning with the military Caretaker Government in 1958.
21. The apt remark of an observer of a highly dirigiste African state is perhaps applicable here: "The private sector is alive and well and owned by the government".
22. See FBIS, 18 March 1993 for the latter notification.
23. The Yangon Consumer Price Index has officially risen more than three times since 1986. *Review of the Financial, Social, and Economic Conditions for 1992/93* (Yangon: Ministry of Planning and Finance, 1992). Recently, it has been rising even more steeply.
24. FBIS, 9 March 1993. The interest rate was previously 5 per cent.
25. FBIS, 31 March 1993. The daily minimum wage was also raised from K.15 to K.20. These changes became effective on 1 April 1993, the start of the new fiscal year in Myanmar.
26. In 1991, the Institute for National Minorities was elevated to the status of the University for the Development of the National Races of the Union, and had 1,086 students. In the past it had functioned as a cadre training unit for the BSPP.
27. FBIS, 10, 27 October 1992. Those signing were the National League for Democracy, the Democratic Alliance of Burma, the National Coalition Government of the Union of Burma, and the National Democratic Front.
28. An opposition group based in Thailand, the Alliance for the Democratic Solidarity of the Union of Burma, led by U Nu's son, U Aung Nu, in contrast wants to negotiate a settlement with the SLORC and would go to the Convention if invited. He is quoted as saying, "General Ne Win, let's give him a try. He's the only one who can put the genie [the military] back into the bottle" (FBIS, 11 August 1992).
29. Field interviews, Yangon, June 1992.
30. *Burma 1983 Population Census* (Yangon: Immigration and Manpower Department, Ministry of Home and Religious Affairs, 1986).
31. General Khin Nyunt was said to have been promoted to lieutenant-general, and made head of a new Office of Strategic Studies, to which all military and civilian intelligence agencies report. He was head of the Directorate of Defence Services Intelligence. See FBIS, 1 April 1993.
32. It is highly significant that Thailand strongly and officially rejected the protests of the Burmese people that this was interference in Myanmar's internal affairs, and also that it rejected Chinese protests of the Dalai Lama's visit, after twice earlier having given in to the Chinese. Importantly, however, the press noted that the Thai military, as represented by the army commander, disagreed with the Thai Government's decision. *The Nation* (Bangkok), 15 February 1993.
33. See a Reuters dispatch reported in the *Bangkok Post*, 9 February 1993. This is an argument put forth in some Japanese circles.
34. *Far Eastern Economic Review*, 15 April 1993. This conference was virtually ignored in the influential American press.
35. Assistant Secretary of State-Designate Winston Lord, in his Confirmation Hearings of 31 March 1993, listed ten goals for American policy in Asia, of which democracy and human rights was one; Yangon was also mentioned in connection with Tibet and East Timor. The United States is still caught up in the issue of whether to assign an ambassador to Yangon, where a U.S. embassy has continously functioned. For the

latest on this issue, see U.S. House of Representatives, Asia Subcommittee of the Committee on Foreign Affairs testimony of 25 March 1993.

36. See David I. Steinberg, "Myanmar as Nexus: Sino-Indian Rivalries on the Frontier", *Studies in Conflict and Terrorism* 16 (1993).
37. In authoritarian hierarchical structures, the lower echelons have often committed gross excesses in attempts to please or satisfy the leadership, and this has sometimes resulted in popular uprisings, such as the Student Revolution of 19 April 1960 in Korea, or the 1988 uprising in Burma.

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Vietnam's Inconsistencies Between Political Structure and Socio-economic Practice: Implications for the Nation's Future

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The article assesses political reform in Vietnam within the context of unique traditional Vietnamese governance and current social, economic and political developments. Extant documents, to which most scholars do not have access, and trends were examined. The conclusion is that the reform process is gaining momentum and will continue to move forward, both economically and politically, irrespective of the Vietnamese government's rhetoric; and the political reform and resultant socio-economic changes will enhance emerging democratic principles and Vietnam's ambitions for "Asian Tiger" status.

Introduction

The political structure of the Socialist Republic of Vietnam continues to undergo fundamental changes, but the extent to which these changes will affect Vietnamese life remains to be seen. Unfortunately, research designed to study Vietnam's internal politics and resultant socio-economic conditions is difficult because information about Vietnam is not abundant and the available information is frequently unreliable or suffers from bias. This problem is compounded because few Western scholars can read original Vietnamese documents, some Vietnamese scholars currently residing outside Vietnam may write to support political agendas, and many articles written to document or to assess significant events and processes are never published. To address some of these difficulties and problems the discussion here will focus on some of the significant political and socio-economic developments, *vis-à-vis* traditional governance, current reforms, supporting documents and personal observations, and conclude with predictions about the future political and socio-economic climate in Vietnam.

Issues, Misconceptions, and Predictions

The questions commonly asked among Vietnamese and Western scholars include: can Vietnam maintain the socialist political and economic infrastructure as it moves towards a market-oriented economy? Can it modify its unique version of the present neo-Stalinist, centrally-controlled system to the extent that it becomes compatible with a sanctioned, market-driven economy? Will political pluralism follow economic changes?

Vietnam watchers in the West often assert that despite Vietnam's economic rebirth, there is no political reform. Although political reform may not be readily apparent, political debates and discussions in research institutes and government offices about the country's policies are common and ardent and in all probability this activity will become manifest. Foreign observers also frequently think that Vietnam's political system is highly authoritarian, when actually the central government is having great difficulties implementing its policies at the local level. Ironically, the common sentiment inside the country is that local governments have *too much* autonomy and are in positions to abuse power.

Many of the conflicting conclusions drawn by Western and indigenous Vietnamese scholars may have been caused by differing or improper research methodologies, poor communication, or a desire to see events in the light of East–West political dogma. Vietnam's alignment with the socialist bloc caused many scholars to ascribe Vietnam's situation to the common phenomenon in the Soviet Union or China, disregarding Vietnam's specific conditions and particular traditions. Though comparions are inevitable and often legitimate, many studies gave a false picture of Vietnam's unique situation and reformist development.

With these misconceptions and shortcomings in mind, we examine the relationship between the formal structures of the neo-Stalinist model and the actual socio-economic processes of the reformation. First, we briefly review the long-lasting concept of nation-state in Vietnamese history, both ancient and contemporary, and the constraints of time placed by the central power on localities. Secondly, we examine various factions in the

Communist Party of Vietnam (CPV). Then, we analyse the outcome policy as a compromise between the hardliners and the reformers, and the contradictions between public political statements and actual socio-economic activities in Vietnam. Lastly, we conclude with our predictions for the nation's future.

The Concept and Practice of Nation-State in Vietnam

Sense of a Nation and Central Government. The Vietnamese are a homogeneous linguistic group that inhabited the Red River plains thousands of years ago. The nature of the agrarian culture and the continuous threat of annexation by neighbours required a central government to guarantee river control via an extensive dam system and to mobilize the people to defend the country. Thus, unlike many other developing nations, the Vietnamese have a long history of centralized administrative systems, and over the centuries these have played a significant role in organizing the Vietnamese nation-state.[1]

Central Government and the Village Community in Social Mobilization. Peasants in Vietnam, historically, had well-established village communities in which officers were elected by its Council of Notables. These rural communities enjoyed a high degree of autonomy from the dynastic state. The Council established a tax system and labour duties, whilst gaining further power by exercising its right to allocate the communal lands. Peasants used to place great value upon collective rural institutions to protect against risk and state interference.

During the period of French colonialism, landlordism supplanted traditional rural governance. This system, in which village chiefs were appointed by the colonial administration, encouraged land accumulation for a few select landowners and ultimately damaged the traditional Vietnamese societal safety net. The resistance struggle against the French, led by the communists, was successful mainly because it responded to the desire for traditional communal security and nationhood; thus, it could mobilize the entire nation. (A similar statement can be made about the war with the United States.)

The communists won the support of peasants as the First Land Reform, enacted in the early 1950s, broke up the colonial landlordism and returned land to the tillers, but the Second Land Reform of the late 1950s, intended to collectivize peasants, met with resistance and made many peasants less willing to place great confidence in the new government. The result was a structural dichotomy whereby the centre, as ever, could not fully control the periphery.[2]

The Party, Central Government, and Localism. The peasants were never able to leverage this resentment, and thus never became an influential opposing power, partly because they lacked political organization and partly because of external threats, first by France from 1945 to 1954, then the United States from the late 1950s until 1975, and China in the 1980s. These external threats helped the CPV to eliminate opposition. Even though the CPV could not establish a reliable administrative system to extend from the centre to the grass-roots level, it could easily suppress the dissidents and still mobilize manpower and material from the masses for war. The CPV achieved this by fomenting nationalist sentiment and by relying on the party's organization at the local level to carry out its policy. To compensate for the weak administrative apparatus, the CPV established a large party network and struck deals with the local party and government officials. In return for their loyalty, local officials were given greater autonomy. This arrangement was similar to methods historically used by Vietnamese dynastic authorities.

The present Vietnamese administration, like its feudal dynastic predecessors, can, by fiat, exercise power throughout the country to implement policy, but the specific outcomes of centrally administered decisions still depend on support and compliance from the localities, which usually continue to enjoy a high degree of autonomy. Only those policies that win the support of the masses from all localities can be successful. Historically, during periods of external threat the central administration could easily mobilize human and material resources, but during peace time it could not. So the central administrative apparatus was relatively small and poor compared to other countries in the region with the same conditions.

Although the current Vietnamese government is often categorized as an authoritarian regime — and this assessment is correct in the sense that it is not democratic and administrations at all levels tend to use authoritarian methods to govern — it would be incorrect to conclude that the central government has absolute control over the entire territory and can implement its policies at local levels. Furthermore, it is highly unlikely that the central government could or would use military force against local officials or citizens to implement its policies. The central government is mandated by all three of the respective constitutions (the 1958 Constitution of the Democratic Republic of Vietnam, the 1980 Constitution of the Socialist Republic of Vietnam, and the 1992 Amendment of the Constitution) to have direct power over all local authorities throughout the country, but malfunctions within the administrative apparatus, and unrealistic policies frequently give way to the local authorities' demands. While the local authorities recognize and acknowledge the socio-economic policy set by the central government, they simultaneously initiate their own micro-policies to serve best the interests of local officials and inhabitants, but only in ways that do not directly challenge the legitimacy or affront the prestige of the central government. In return, the central government refrains from implementing repressive measures that would disrupt or eliminate the micro-policies of local authorities.

There have been only a few cases in which the central government has interfered in the affairs of local administrations since the CPV came to power. In one instance, General Chu Van Tan, the commander-in-chief of the Northwest Autonomy Region, was purged and then placed under house arrest when in the mid-1970s he opposed the abolishment of the Autonomy Region. At about the same time, Vinh Phu, the province Party Secretary, was imprisoned because he had opposed the socialist agriculture policy by giving back land to peasants while the party resolution was intended to force peasants in the South into agricultural co-operatives. Nguyen Van Linh, Ho Chi Minh City Party Secretary, was also deposed when he allowed market economic management and material incentives while the central government was still campaigning for "socialist moral value" and "socialist massive production". An interesting example of the unwritten deals between the central government and the local administration was the case of Ha Trong Hoa, Party Secretary of Thanh Hoa, who abused power, defrauded authorities and citizens, and embezzled provincial funds. When this serious crime was publicized by a group of journalists, the Party tried to protect him by ordering the journalists to give up their investigation and threatening to imprison them for "black-painting" the prestige of the Party. Finally, the resentment became so strong that the CPV decided to remove him from his post and reprimanded him with an "internal-party discipline", but sheltered him from a formal trial by law for his crimes.[3]

Although the CPV tried unsuccessfully to adopt the neo-Stalinist model of other central authoritarian governments, the actual political process in Vietnam was never like those governments the CPV tried to emulate.[4] This is an important historical fact that influences the present reform process. Regardless of the *formal* political system chosen by Vietnam, the actual political *process* is based on the principle of consensus between the local and central administrative authorities; and between the party apparatus and governmental bodies, which are being assigned more responsibility in the management of the country. The important positions in the government are still held by CPV members, but the roles of non-party offices are being increasingly institutionalized and consequently are becoming another centre of power.

This process is consistent with the tradition-bound mentality and philosophy of the Vietnamese people. It was, and probably still is, impossible to mobilize the masses in the name of any person. Such an effort could only be accomplished in the name of the country. In the present peaceful condition, there would seem to be little chance that one person or group could seize power and maintain authority without a legitimate political agenda in the name of the nation's interests.

The Debate Between the Radical Reformers and the Hardliners

Early Change Efforts. The inefficiency of the centrally-planned economy became visible as early as the late 1970s. There were several attempts, especially in agriculture, to use incentives at the grass-roots level to encourage productivity. But these policies did not produce any significant results because of the rigidity of the detailed plans set out by the central government and the unchanged institutional systems. To rationalize policy shortcomings, the CPV commonly blamed the weakness of the management and the local administrations' failures to implement the policy of the Party and the central government. Administrators who allowed incentive measures to go beyond "socialist principles" were removed from their positions; some were detained. The CPV also launched a campaign to purge the "corrupted cadres", and to hold moral education sessions to upgrade the quality of party members and to increase the party's "leadership role".

First Admissions of Strategic Errors. The next wave of reform ideas was in the mid-1980s, just before and after the CPV's Sixth National Congress that officially enabled multifaceted reform. This time the reformers persuaded the CPV to admit the mistakes of the government policies and party guidelines during the previous era, and to accept responsibility for the country's economic regression.

Debates about Fundamental Change Begin to have an Impact. The ruling CPV realized that the centralized bureaucratic system of economic management, instead of contributing to rapid industrialization and the building of a strong state, had led to economic stagnation and dramatically weakened the regime's legitimacy. For the first time in history, the failure of the system was officially noted in a CPV document:

> On the economic front, our country is confronted with many acute problems. The results of the preceding five year plans have not reduced the serious imbalances in most of the national economy. Both agricultural and manufacturing production rose very slowly while population increased at a much quicker rate. The national product(ion) is not

> sufficient to meet the need of social consumption. . . .The livelihood of working people is fraught with increasing difficulties.[5]

Further Steps to Reform the System. The rise of Mikhail Gorbachev and the advent of *perestroika* in 1985 enabled the Soviet allies to reform their own political systems. This Soviet policy shift instantaneously legitimized the claims of the Vietnamese reformers who had advocated a departure from orthodox communism. Party leaders who endorsed the "new thinking", for example, Tran Xuan Bach, First Secretary of the Secretariats and Nguyen Co Thach, Foreign Minister, soon gained popularity. And in a stunning reversal intended to bring the country out of its stagnation, Nguyen Van Linh, the deposed Party Secretary of Ho Chi Minh City, was politically restored and elected General Secretary by the Sixth CPV Congress. This restoration was unprecedented in the history of the CPV; Linh is the only politician ever to return to power after being purged.[6]

The decision to carry out reforms in all fields was indicative of an internal shift of power from the hardliners to the reformers. The reforms were specifically targeted to address economic and foreign policy, political institutions, and corruption. Even "new thinking" (*doi moi tu duy*) — a term which loosely implies a new development model different from the existing neo-Stalinist model, and a re-evaluation of the Marxist-Leninist ideology — was encouraged. The reformers enjoyed popularity, from 1986 until the collapse of Eastern Europe at the end of the 1980s. Reform became a social process of the entire country, but even though all the party leaders endorsed *doi moi*, after years of initiatives, factions emerged and the CPV polarized.

Infighting Between Reformers and Conservatives. The two main factions consisted of the most radical reformers and the most conservative hardliners. The former group was headed by Tran Xuan Bach and Nguyen Co Thach. Some Western scholars mistakenly grouped individual members in the CPV Political Bureau according to their political district or geographic heritage. For example, both Deputy Prime Minister Nguyen Van Kiet and Internal Affairs Minister Mai Chi Tho were believed to be reform advocates because they came from Ho Chi Minh City. In actuality, Tho was a powerful conservative and an antagonist of the reforms.

Nguyen Co Thach was a leading technocrat who demanded the reform of the economic system. He was the first and the most vocal Political Bureau member who tried to adopt market principles for planning aimed at transforming the centrally planned economy into a market-oriented one, and abolishing the subsidized distribution system. Thach also favoured political reform and supported efforts to make the government more independent from the Party, to build an institutional government, and to make new legal institutions.

Tran Xuan Bach used his theme of democratization in an attempt to change the Party's bureaucratic authoritarian apparatus, to gain political support from competitive factions, and ultimately to support pluralism. Bach eventually became second in command in the Party, and seemed to be the most likely candidate for General Secretary in the coming Congress. His growing influence caused concern among the conservative faction and challenged the position of some members, including Nguyen Van Linh who had served as the centre of the reform forces. Linh eventually aligned himself with the conservatives when he felt that his position — and the leadership of the Party — became threatened by the new thinking.

Thach and Bach became the focus of conservative criticism. Although they were favoured by the intellectuals, their positions threatened many powerful Party leaders. These apparatchiks tried to block any change and blamed the reformers for creating uncertainties and causing social chaos.

Mai Chi Tho, who was generally considered a supporter of Linh, proved to be the most conservative figure in the Political Bureau. With support from Nguyen Duc Tam, head of the Central Committee's Organization Board, he controlled the destinies of many party cadres. This alignment was an almost insurmountable political obstacle. Furthermore, the impending collapse of the communist governments in Eastern Europe was used by the conservatives to consolidate their position and to sway unaligned party members in the middle. Linh, therefore, was forced to be cautious with his reform programme, and emphasized the need for stability first.

The reformers in the Political Bureau were disgraced. Their support agenda threatened the ranks within the party system as well as the CPV itself. Bach became the first victim of the conservative counter-attack because his previously mentioned agenda was perceived to be the most threatening to the status quo. Linh distanced himself from Bach and let the conservatives manoeuvre a Central Committee Plenum to remove Bach from the Political Bureau with the charge of "violating the party disciplines", a charge that can be used against anyone who proposes any change. Thach survived the first counter-attack because his reform themes did not directly threaten anyone, and because positive results from economic reform were becoming apparent. But later, the conservatives attacked him for his foreign policy "failures" that had aimed to improve relations with the United States and, in turn, strengthen Vietnam's position with China. Thach was then forced to resign at the CPV's Seventh National Congress.

The Seventh Congress was a compromise between the two factions. All prominent figures of both groups were ousted from the Political Bureau. Linh agreed to step down in exchange for the resignation of the most recalcitrant hardliners, for example, Mai Chi Tho and Le Duc Tam. Although the reformers suffered a certain setback, their support managed to place Do Muoi into the position of General Secretary, and Vo Van Kiet into the position of Prime Minister. None of the new Political Bureau members was known as a radical reformer or a reactionary conservative.

The Ideological Debate

Reformers vs. Conservatives. Ever since the reforms proved to be an irreversible process, the CPV has been trying to formulate an ideological framework, but it has not produced a concrete party platform. The Party's consensus is to loosen social constraints and to encourage national economic reconstruction. Although economic reforms have been gradually institutionalized, political reform has met serious resistance. How can the political élite, who benefit from the existing system, be given incentives to reform, while simultaneously avoiding measures that would undermine the basis of distributional legitimacy? How can the authorities change the system and overcome the people's resentment, but still maintain the Party's monopoly on leadership? A recent article from the army newspaper *Quan Doi Nhan Dan* expressed well the dilemma:

> Because of irresistible demands by the people the need for social change has become a pressing question. Realities in the recent past show that the move to break from the old model in a country can be undertaken with less tension and less danger if the communists in that country know how to look squarely at the truth to actively carry out renovation themselves or to lead the entire people in this process. On the contrary, those who intentionally try to turn a deaf ear or a blind eye to the demands of the age and the wishes of the people are likely to meet a tragic end.[7]

Vietnamese society was profoundly affected once the "new thinking and renovation" policy was officially adopted by the Sixth CPV Congress in 1986. As a result, the CPV began to fear that the reforms would invoke changes beyond their control, and thus decided to take steps to slow the process. But even though the conservatives occupied the majority in the Political Bureau, their control over the entire party network was limited. The only field they could strictly control was the media, as they had passed new press regulations putting the media under their direct leadership.

At localities and branches the CPV apparatus was seriously weakened by the economic reforms as they essentially changed the distribution system. The abolishment of the price subsidy for scarce resources and the old centrally planned management policy seriously weakened the importance of the party organization in daily life. The people's lives became doubly relieved, firstly because links between the central party and the local institutions became less disciplined, and secondly, because the role of the party apparatus in society became less visible. The assumption, then, is that the reform process, especially economic reforms in the periphery, will continue regardless of the ideological debates at the core. The problem now is how to institutionalize the market-oriented activities in order to guarantee an orderly economic development.

In the past two years, the reformers have passed several laws that constitute the basic legal framework for the new economic system. Other efforts to accelerate the political reform process, however, have failed. To assure that the economic reforms are permanent, the Law on Private Enterprise was passed in 1990. For the first time, "the State recognized the long-term existence and development of the private enterprise. . . .The State shall protect the right to the ownership of production materials. . .and other lawful rights and interests of the enterprise's owner".[8] The orthodox members of the CPV had to give up the basic principles of the neo-Stalinist model that rejected the right of private ownership of production materials. However, the reformers and hardliners compromised over land ownership: land and natural resources are still publicly owned, but long-term leases are allowed.

Official Vietnamese statistics suggest that the private sector has rapidly increased in size. For example, in 1991 the private sector already accounted for 40 per cent of the total industrial output, employed three million workers (two-thirds of the industrial work-force), in 20,000 co-operatives, 1,000 private enterprises and 300,000 households.[9] This figure not only illustrates the health of the private sector since the economic reforms, but also the survival of "underground" private enterprises established and disguised under the formal socialist system.

Although the results of economic reforms are encouraging and the central government has decided to push economic reforms forward, some localities have tried to resist the reforms with the hope that they can maintain the privileges provided by the old system. On 23 April 1991, *Nhan Dan* reported that the Congress of the Province Party of Thai Binh had voted to retain "unified state management" of rural land rather than to return the land to the peasants.[10] This incident indicates the relative autonomy of the periphery, but it also suggests that the conservatives were seeking support from the local party organization. In the end, this provincial party resolution did not prevent economic reforms in that province.

Despite the implementation and success of reforms, the CPV has agreed to maintain "socialist principles". The fundamental debate between the reformers and the conservatives in the CPV centres upon the *definition* of socialist principles. Both sides think that this is the key to any further changes. At present, they both agree that the highest principles are "Party leadership" and the "socialist path". The reformers know that questioning these concepts would not be expedient. Instead, they will try to institutionalize their definitions. Recent party documents — which might be interpreted as a compromise — reflect the struggle between the two sides. Linh states:

> Reform and renovation do not negate or dismiss these principles because they are the boundaries between principles (party leadership and socialist path of development), because they are the boundaries between communists and non-communists, socialist and non-socialist societies. . . [But then Linh gave a very vague conclusion.] Principles are merely major guidelines. How common life must be answered through life itself. General abstract principles do not exist. Truth is always concrete and revolution creative.[11]

Documents of the Seventh Congress are equally vague and define socialist society as:

- The working people as masters.
- Public ownership of the principal means of production.
- Advanced culture with a distinctive national identity.
- No exploitation and injustice. . .[12]

Definitions about the type of state, for example, "proletarian dictatorship" based on the "alliance between the working class, the peasantry and the intelligentsia", seem to be fairly explicit. But in other parts of the same document, there was evidence of the reformers' influences:

> We do understand the importance of renovation of the political system. However, the issue here is to find the appropriate content, forms and steps. . .Simultaneously with economic renovation, we have step by step renewed the political system. . .Our party is determined to overcome evils such as authoritarianism, totalitarianism, and overlaps in the work of the State and people's organizations.[13]

A report of the CPV Central Committee's theoretical work during a conference held in June 1992 began by reaffirming Marxism-Leninism and Ho Chi Minh's expressed thoughts, but then concluded that they should specifically clarify the basic principles of Marxism-Leninism, and should "research other doctrines along the line of objectivity and dialectics, and oppose dogmatism, revisionism, and opportunism. . .".[14]

This report suggests that the CPV has determined that cautious revisionist interpretations of Marxism-Leninism are now appropriate.

In short, there were many conflicting concepts and definitions in all the recent Party documents that reflect ongoing debates on such specific notions as democratization, the relationship between the Party and the state, the renovation of the Party itself, increase in the role of the National Assembly, and new legal institutions. The nebulous structure of these documents thus seems to be a compromise designed to ensure the continuity of the current economic reforms and to provide a foundation for further reforms of the political system.

Many observers had expected to see efforts to separate the Party from government functions and to increase the role of the National Assembly and the government. The Seventh Party Congress documents and the new Constitution did not reflect much of the reformers' influences in these efforts. The Seventh Congress documents stated:

> The relationship between the Party and the State must be properly defined in the first place. The State is entrusted by the people with powers and is responsible before the people for administering all aspects of social life. The Party's leadership should guarantee the development of the initiative and creativity of the State.[15]

This seemed to indicate that the CPV will not relinquish direct control of the day-to-day management of the government. A more detailed definition of this relationship will be decided along the reform process. The reformers are trying to increase the power of the government and the National Assembly and reduce the role of the Party. As Nguyen Ho, a leader of the Southern Veterans Club, said:

> Now more than ever we see that the precise role and supremacy of the National Assembly, just as prescribed in the Constitution, must be restored and nailed down. The National Assembly must be completely independent and not [be] subordinate to any other organ or organization.[16]

Phan Dinh Dieu, a prominent non-communist opponent, wrote in his petition:

> A democratic political regime, national union and concord are urgent, vital necessities for our country today. . . .This is a democratic state subject to the rule of law. In the conditions of our country, the appropriate form of a state governed by the rule of law is the parliamentary system. The National Assembly is the highest body exercising power. It directly exercises legislative power. It appoints the Government (Executive) and the Supreme Court (Judiciary). These two bodies must be totally independent from each other and are answerable to the

> National Assembly. . . no political party may decide in advance that it has the absolute right to stand above the state and to lead the state. A party winning an absolute majority in the National Assembly will be in a position to carry into effect the ideas and policies it advocates, but it must do so in accordance with the law.[17]

Economic development will coincide with the emergence of an educated middle class (consisting of private entrepreneurs and the intelligentsia). As this middle class becomes stronger and more organized it will press for political democratization. Cognizant of this impending pressure, the CPV's Central Committee met on 3 January 1993 to "discuss growing calls for democratic reforms, with the aim of preventing a pro-democracy outburst such as that seen in China".[18]

Compromise Between the Conservatives and the Reformers. During the drafting of the new constitution, there were efforts to strengthen the state by separating and enforcing the power of three branches: administrative, legislative, and judicial. If the reformers had succeeded in this attempt, the Party's ability to interfere in the state's affairs would have been reduced greatly. The new constitution does not reflect much of this trend. It guarantees that "the National Assembly is the supreme power of the state which will finally decide all policies",[19] but also confirms the leading role of the Party. It strengthens government power by abolishing the Council of Ministers and re-establishing the Prime Minister's position. As Nguyen Huy Thuc, Member of the Editing Board of the Constitution, indicated, ". . . (W)e are not going to carry out political reform in a sweeping manner. We want to have firm steps and measures in order to ensure political stability".[20]

At present, most Vietnamese, irrespective of Party affiliation, agree that the economic reform is crucial, because the interests of all groups are contingent upon its success. The reformers hope that if the economic reforms (particularly democratizing economic management) are successful they will lead to political democratization. The conservatives hope that if the economic conditions are improved, people's confidence in the CPV will be revived, and the legitimacy of the party leadership will be restored.

The Role of the CPV in the New Socio-economic Structure. The CPV will probably attempt to play a role analogous to the Liberal Democratic Party in Japan, the Kuomintang Party in Taiwan, and the ruling parties in South Korea and Singapore. This will be difficult, however, because the Party does not presently possess adequate economic resources, and current trends will make the acquiring of resources more difficult. For example, the present economic reforms encourage the private sector and render state-owned companies less important to the economy. Moreover, the CPV has been distanced from the day-to-day management of the economy. Equally important, the current regional political forces interfuse Vietnamese social and economic institutions, and thus stimulate and perhaps necessitate the gradual process of democratization. Though the CPV tries to assert its leadership role, it has difficulty in defining the role it will play. Consider the concerns expressed by Do Muoi:

> The renovation of the party's leadership method and the cementing of the relations between the party and the state and between the party and other organizations in the political system has given rise to many problems that need to be solved. At the same time, more new problems have arisen in the process of switching to the market system. Things such as ideological perception and stance, ethics, quality, the standards for party cadres and members, and the functions of the party and its mode of leadership over various types of organization, etc., are posing numerous problems. . . .[21]

Recent events underscore the Party's struggle. While it is now possible to stroll through Hanoi or Ho Chi Minh City and purchase just about any item associated with the indulgences of unrestricted commerce and popular culture — even current issues of the *Wall Street Journal*, arguably the quintessential symbol of the impact of the reforms[22] — it is also possible to be arrested (as a Vietnamese *was* recently) for singing anti-communist pop songs.[23] Although such seemingly incongruous events may continue as the reform process evolves, it seems that the CPV's reform interests, while economically expedient, are also intended to consolidate its position in Vietnam's emerging political structure. As Do Muoi stated, "We should renovate and rectify the Party so as to ensure an increased party leadership role in all areas of work".[24] But despite occasional efforts to enforce public reverence towards the CPV, reports from press releases of Party activity suggest that the CPV seems to be losing its already loose control at the grass-roots level.[25]

Some Conclusions

Recent Party and government documents and events seem to indicate compromises between the factions, but the documents are articulated with an undertone of conservative rhetoric. For example, the Seventh National Congress decided that:

> The renovation and perfection of our political system is essentially the building of socialist democracy. Democracy is the law governing the emergence, development and self-perfection of the socialist political system, it is both an objective of and driving force for the renovation of society. [But then it added.] There can be no democracy without centralism, without State discipline and order. . .[26]

Nonetheless, the traditional character of Vietnam's politics — that the periphery often enjoys relatively high levels of autonomy — suggests that the localities will still have enough room to manoeuvre within the intentionally loosely worded terms in these new institutions.

"Centralism" is a fundamental tenet of orthodox conceptions of the neo-Stalinist model, and is a mechanism by which central authorities are expected to act on behalf of the welfare of the citizens. The model presupposes, of course, that central authorities can or will make the "right" decisions, or perhaps more importantly, the citizenry will be satisfied with those decisions. More Western models of democracy, in which decision-making empowerment and satisfaction outcomes are invested in individuals, is perceived to be a target of the reforms. With such guidelines or resolutions, which some might perceive to be tacit approval for decentralization, coupled with the historical political tradition of decentralization, the localities can either maintain the old method of governing or apply Western democratic methods without the risk of being charged for violating central policy.

Thus, the future of Vietnam remains largely in the hands of the group of local officials with decision-making powers. The evidence to date would suggest that they may abuse their power to satisfy their private interests and to maintain power, yet economic indicators also suggest that this system is "successful". Therefore, it appears that all Vietnamese are generally willing to endure minor transgressions and profiteering by the local officials in order to sustain the private sector and ultimately the reform movement.

That is to say, economic reforms will be encouraged while various forms of central and political repression continue, but political reforms and democratization, as even conceded in party documents, will follow the economic reforms, regardless of the will of some conservatives. The pace of the overall reforms will depend mainly on the results of the economic reforms; presently, legal institutions are being established and amended to guarantee the new activities. So the question for both economic and political reforms is not whether they will continue, but how far will they go? It is likely that the reforms will go considerably further, enabling Vietnam to become one of the more prosperous nations in Southeast Asia, and perhaps propelling Vietnam towards democracy faster than its neighbouring countries moved in the past.

NOTES

1. Adam Fforde and Susanne H. Paine, *The Limits of National Liberation* (London: Croom Helm, 1987), p. 14.
2. Ibid., p. 36.

3. This text is based on commonly held beliefs and communications within the CPV and diplomatic networks.
4. It is our opinion that the CPV tried to emulate the Soviet model of administration, but found this model to be virtually impossible to administer for reasons explained in the text.
5. *Documents of the Sixth National Congress of the Communist Party of Vietnam* (Hanoi: Foreign Language Publishing House, 1986).
6. This text is based on commonly held beliefs and communications within the CPV and diplomatic networks.
7. David Elliot, "Dilemma of Reform in Vietnam" (Paper presented at Pomona College, 1992).
8. Vietnam News Agency dispatch, Foreign Broadcast Information Service, 28 March 1992.
9. Elliot, op. cit.
10. Ibid.
11. Press release of the Seventh National Congress of the Communist Party of Vietnam, 1991, p. 10.
12. Ibid., p. 101.
13. Elliot, op. cit.
14. Report by Nguyen Duc Binh, "Politburo Meeting at the Conference on Theoretical Work", Foreign Broadcast Information Service, 12 June 1992.
15. Press release of the Seventh National Congress of the Communist Party of Vietnam, 1991.
16. Ibid.
17. Phan Dien Dieu, "Blueprint for a New Vietnam, Petition for an Emergency Program", *Vietnam Commentary*, May–June 1991.
18. Kyodo, Foreign Broadcast Information Service, 5 January 1993.
19. Constitution of the Socialist Republic of Vietnam, 1992.
20. *Nhan Dan*, June 1992.
21. Do Muoi, General Secretary of the CPV, at the 18–29 June 1992 Third Plenum Central Committee Conference on "The Present Situation and Our Tasks", Foreign Broadcast Information Service, 19 July 1992.
22. Observations during a recent visit to Hanoi and Ho Chi Minh City, 1993.
23. *Far Eastern Economic Review*, 28 January 1993, p. 14.
24. Do Muoi, ibid.
25. Ibid.
26. Press release of the Seventh National Congress of the Communist Party of Vietnam, 1991, p. 22.

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ASEAN's Bridges to Vietnam and Laos

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Vietnam and Laos have acceded to ASEAN's Treaty of Amity and Co-operation, bringing them into the ASEAN political process. This rapprochement was preceded by initiatives characteristic of behaviour between ASEAN partners; bilateral consultations and development of trade and investment ties were begun significantly with those ASEAN members which had been most suspicious of Vietnam. To that extent, the Treaty can be seen as confirming and articulating economic co-operation and evidence of amity already demonstrated.

To borrow a metaphor from Philippine President Fidel Ramos, members of the Association of Southeast Asian Nations (ASEAN) have begun a process of building bridges to Vietnam and Laos that will span decades of hostility between Cold War adversaries and expand the security order in Southeast Asia. "In the past", observed Sukhumbhand Paribatra, "during the late 1960s such a regional security order existed only among the ASEAN states. ASEAN was joined together by establishing certain rules and norms in the conduct of relations with one another".[1] Examining relations among present ASEAN partners can yield important lessons about the nature of the Association and the means for integrating new states, namely, building bridges of strong bilateral ties based on the foundation principles of commitment to amity and pragmatic co-operation, leaving details to be worked out later in low-level, quiet diplomacy.

Past As Prologue

Joining ASEAN did not end problems between members; it only made living with them easier through the establishment of norms and procedures to resolve differences; this is but a realistic recognition that relationships require constant management. To illustrate, consider several recent incidents. Singapore's and Malaysia's handling of their ongoing dispute over ownership of Pedra Branca, an island lighthouse complex, demonstrates the governments' commitment to quiet diplomacy in the face of strong domestic pressures, especially from the Malaysian side. Prime Minister Goh Chok Tong and Prime Minister Mahathir Mohamad pursued a policy of quiet and cautious negotiations and legal arguments, an orientation expressed by Mr Goh at a meeting in September 1992, "We will take some time to go through the document and then we will arrange for a meeting later on".[2] Furthermore, such differences have been skilfully minimized by publicly describing the incident as a case of "hiccups"; this terminology acknowledges the discomfort, but establishes the perception by both that the event is ordinary and natural, and that it will have a short duration and a simple cure. Meanwhile, the states have forged ahead simultaneously in other areas of pragmatic co-operation, such as Singapore's signing an economic co-operation accord with Malacca in April 1993, and earlier with other Malaysian states, or conducting the first Singapore–Malaysian land warfare exercise in peninsular Malaysia in April 1992.

A similar island dispute strains Malaysian–Indonesian relations; two islands off the coast of Sabah administered by Malaysia are claimed by Indonesia. Recently, Malaysia has begun to develop the islands for tourism, a move that Indonesia sees as a violation of their agreement to maintain the status quo. Yet, when asked during Malaysian Foreign Minister Abdullah Badawi's visit to Indonesia in February 1993, Indonesian Foreign Minister Ali Alatas brought forth the commitment to amity: "It is our intention that Sipadan and Ligitan Islands will not be a tension in bilateral relations".[3] Neighbours can have more than border disputes, but to illustrate how resolution will flow from commitment to amity and pragmatism, Foreign Minister Badawi added that the Indonesia–Malaysia Joint Commission had taken up the matter along with projects of mutual benefit, hydrographic surveys and atomic power for peaceful purposes. Herein is an example of institutionalized co-operation among ASEAN partners, where arrangements are worked out quietly by lower-level officials in an atmosphere which reminds the parties of gains made through co-operation. Past co-operation lays the ground for optimisim — for example, the creation of a committee to work against piracy in the Straits of Malacca and Malaysia's co-operation in dealing with Indonesian refugees who had been active as secessionists in Acheh, northern Sumatra. Likewise, responding to inquiries about another longstanding "hiccup", illegal Indonesian workers in Malaysia, Badawi affirmed: "We have a very cooperative progress in the process of legalizing illegal Indonesian workers to Malaysia",[4] noting that over 311,000 had been processed.

Similarly, Malaysia's and Thailand's "hiccup" treatment of their security interdependency during their years of co-operation may provide useful lessons to the management of similar and more volatile interdependencies with Vietnam and Laos. For almost twenty-five years, Malaysia and Thailand were bound by mutual problems of insurgency, in which communist guerrillas used sanctuaries in Thailand from which to attack Malaysia, while Muslim guerrillas used sanctuaries in Malaysia to promote secession of Muslim-majority provinces of southern Thailand. More than 37 years ago, the states set up a General Border Committee (GBC) as the consultation forum to discuss such problems derived from their common border; it has since become a model for others between ASEAN states.

Today the relationship faces a reorientation as the former balanced *quid pro quo* is no longer applicable; although the communist insurgency has ended, the question of Muslim separatism still remains. Quiet for ten years, the separatists took violent action again on 13 August 1992 when a bomb exploded in the Hat Yai railway station. This was followed by an offer of sanctuary from Haji Hadi Awang, deputy president of the Parti Islam seMalaysia (PAS) which forms the government of the Malaysian border state of Kelantan. Such a violent incident and the offer of assistance could challenge any relationship; however, the longstanding co-operation and specific details of the incidents helped to diffuse anxieties. At the time of the bombing, talks were being held between separatist leaders and Thai officials in Kelantan; there the Thais were told that "low ranking" guerrillas were responsible. Thai Foreign Minister Arsa Sarasin's comment that "We cannot conclude who did it and who backed the culprits. But it's not right for any country to use another country as a base for attacks on a third country"[5] took Malaysia off the hook because suspicions were directed at Middle East sources. Subsequently, Fourth Army Region Commander Kitti Ratthanachaya visited Malaysia and secured a pledge to help. As for details, he commented: "It's enough at this stage that Malaysia has pledged to help. We have to let the Malaysian government decide on its own which measures it can employ which will meet with least criticism".[6]

In order to downplay the problem, statements and negotiations have been left to lower-level officials. High-level, visible officials stress benefits, a means of strengthening the relationship. Bolstering this border area through joint economic development has emerged as a new structural support for ASEAN. Though ASEAN-wide economic progress has historically been insignificant, members have long recognized the relationship between economics and stability. Prosperous states are stable states, and stable states make for good neighbours summarizes the ASEAN concept of "regional resilience". In the past, prosperity was the responsibility of each individual state. This has been modified to the extent that cross-border economic development is encouraged under the rubric of the "economic growth triangle". Nevertheless, while this tactic holds economic promise, it requires political adjustments and a sense of mutual gain. Evidence from the first triangle linking Singapore, Johor (Malaysia) and Riau (Indonesia) indicates that the partner holding the metropole is most satisfied while the hinterland partners have more guarded estimates of the benefits.[7] Yet, the successes of the first grouping, as seen in the recent expansion of the Riau industrial park to another island, has inspired discussions about a northern "growth triangle" linking the Malaysian-Thai border area with Sumatra; it formed part of the public agenda on Thai Foreign Minister Prasong Soonsiri's visit to Malaysia in December 1992. Subsequently, the February 1993 37th General Border Committee in Kuala Lumpur announced: "A Socio-economic Development Committee (SEDEC) will also be set up under the Regional Border Committee in Songkhla soon".[8] Finally, to illustrate again the tactic of high-level officials' distancing themselves from disturbances, when Thailand's new Prime Minister Chuan Leekpai was asked about the separatists in southern Thailand during his January 1993 visit to Malaysia, his first to another state, he indicated that this was not brought up in discussions during the visit because Thailand considers this an internal affair.[9]

The Malaysian–Philippine relationship indicates that ASEAN ties need not be cordial to be effective. President Ramos' allusion to bridge-building was not to the ASEAN–Indochina gap but to that between the Philippines and Malaysia, the most unresolved ASEAN relationship. Malaysia has resisted a friendly, full, and warm affiliation until the Philippines drops its claim to the Malaysian state of Sabah. While both participate in ASEAN activities to the highest level, bilaterally the two have maintained a cool but correct relationship, evidenced by a 25-year absence of visits by leaders to each other's country, a common practice among other ASEAN neighbours. In the name of ASEAN solidarity, however, both have compromised. President Marcos did visit Kuala Lumpur in the context of the 1977 ASEAN Summit; similarly in 1987, Prime Minister Mahathir attended the ASEAN Manila Summit, making it clear that he was not visiting the Philippines. It was in Kuala Lumpur in 1977 that Marcos made what might be called a half-renunciation, saying that his administration would not pursue the claim. The new Ramos administration began approaching the division in the same way: a presidential press release confirmed the policy that the "executive department will maintain its position of not pursuing the Philippine claim to sovereignty over Sabah . . . based on . . . desire to contribute to ASEAN solidarity and peace and stability in Southeast Asia''.[10] Thus, this *détente* is based on two steps. The first reaffirms ASEAN. Then by emphasizing the executive department, one notes the domestic constraint faced by the Philippine administration, namely, the forces in the Congress that resist any moves to drop the claim. The resolution of the problem has taken the ad hoc form of executive reassurances.

Although talks were taken up in the Aquino administration, they stalled as Malaysia rejected all the conditions set out by the Philippines for dropping its claim. These conditions — a joint patrol of their border, control of refugees in Sabah, and compensation to the sultans who ruled in this area — once granted could be presented to Congress as gains and thus as reasons to legislate a lasting solution to the claim. However, Malaysia rejects the conditions as such, not because they lack merit in themselves, but because linking the conditions to the claim gives legitimacy to it which Malaysia does not in the first place recognize.

In late January 1993 President Ramos paid a four-day state visit to Malaysia, a visit that has, in the words of Malaysian Foreign Minister Badawi ''paved the way for a new era in cooperation between the two countries''.[11] Certainly, this first-time visit can be regarded as ground breaking; the absence of one was up to then quite telling. The discussions held between the President and Prime Minister Mahathir, part of the time in private without aides, also brought the relationship closer to the standards of intimacy that exist between other ASEAN leaders. But President Ramos suggested that more remains to be done, ''This visit laid the foundations for a special bridge between the Philippines and Malaysia, and building that bridge will be a long step-by-step process''.[12]

The domestic constraints remain; Senator Francisco Tatad of the Joint Bipartisan Executive-Legislative Advisory Council on Sabah offered the advice to the visiting group ''not to make moves that will jeopardize the claim''.[13] Attempts by such groups to introduce discussion of Sabah were not successful; both governments seemed ready to improve their relationship without directly or at least publicly dealing with this obstacle. The Philippine administration played down expectations of the visit, and Philippine Foreign Minister Roberto Romulo commented, ''It is fair to assume that the subject [Sabah] will not be brought up at this time'';[14] but not dismissed. Ramos' press spokesperson Abaya commented that Sabah ''is not really part of the agenda of the Malaysian state visit. However, I think this issue cannot be ignored but this is something that will be taken up as a matter of confidence-building between the two countries''.[15]

After the visit, Foreign Minister Badawi said ''some understanding'' had been reached on Sabah.[16] As such, not much was said but President Ramos hinted at the next phase: "The result of this desire of both sides to have closer bilateral relations as neighbours or even as blood brothers has resulted in . . . a joint commission . . . which will focus on economic growth and economic synergism but at the same time will handle at the level of senior officials all other aspects of our bilateral relationship".[17] Publicly, the commissions will deal with trade, investment, and immigration but "all other aspects" do give officials a broad mandate. The Philippine–Malaysian Commission might also foster co-operation in those areas desired by the Philippine executive as a trade-off for dropping the claim.

The governments did decide to deal with the presence of each other's nationals in their contiguous provinces, but to do so they created a new institution, an "extension office" of the embassy. Philippine Foreign Secretary Roberto Romulo explained: "We do not envision [the extension office] issuing visas or passports; it will just receive and pass on requests to our embassy in Kuala Lumpur".[18] Their choice of a quasi-consulate shows that many steps remain in the process; a Philippine consulate might be interpreted as its acknowledgement of Malaysia's sovereignty over the territory.

Upon returning home, Ramos denied that he had dropped the claim, while in Malaysia, it was maintained that the trip was "successful beyond expectations" and that there was now hope for settling "contentious issues".[19] Forces in the Philippine Senate are still committed to the claim; yet these initiatives, which indicate Malaysia's consideration of "some sort of general amnesty" for Filipinos living in Sabah, may provide in the longer run a better climate for a full resolution. Senator Blas Ople, chairman of the Senate Foreign Relations Committee, backed the breakthrough: "What is new in the bilateral relationship is that for the first time since 1963, the Malaysian government no longer stipulates as a condition for the development of RP [Philippine]-Malaysian relations the prior dropping of the Sabah claim. [Both are] predisposed to go beyond this historical impediment without resolving it now in order to develop the full range of relations. . .especially with respect to trade and investment and joint development".[20] This will clear the way, he continued, for the creation of another ASEAN "growth triangle" involving Mindanao, Sabah, and Sulawesi, with one of the southern Philippine port cities emerging as the entrepôt.

In sum, ASEAN states pursue amity over a long time frame, using institutionalized confidence-building joint commissions which deal with details and distance the leaders from disturbances. The leaders can then meet without fear of rancour, building personal relationships, enhanced by pragmatic expectations of gains from economic co-operation. But this Malaysian–Philippine state visit reminds that "bridge-building" is a step-by-step process. President Ramos came as a guest of the Malaysian king, a diplomatic device used to express the broad principle of friendships between peoples, while skirting the differences between governments which was suggested by the fact that he was not the guest of the Prime Minister. Finally, there was no announcement of a reciprocal visit to the Philippines by either the king or the Prime Minister. Meanwhile in 1992, the Malaysian Prime Minister met three times with the Vietnamese head of government.

The Transition: Bridges to Vietnam and Laos

The attendance of the Vietnamese and Lao foreign ministers at the 1992 ASEAN Annual Ministerial Meeting (AMM) and their nations' accession to the Treaty of Amity and Co-operation marked most clearly the end of the Cold War rift in Southeast Asia. Since this also marks the Indochina states' movement towards full membership in the ASEAN organization, the situation in Southeast Asia is transitional, with prudence dictating that membership is at best two years away, perhaps at the Bangkok Summit, although some suggest a more likely ten-year time frame. However, since this Treaty embodies the rules and norms of ASEAN behaviour, Vietnam and Laos have now entered the ASEAN political process.

This transition replicates the diversity of relations between and among members of ASEAN who are now engaged in building bilateral relations with these Indochinese states. Indonesia has long and continuously extended a hand to Vietnam, even during its occupation of Cambodia which began in late 1978. Indonesia's Kuantan initiative sought to accommodate Vietnam's leading role in Indochina as early as 1980. Thereafter, regular but unofficial visits kept doors open between the two until President Soeharto personally began a new era with his visit to Hanoi in November 1990; Premier Do Muoi responded by reaffirming, "We wish to join ASEAN",[21] a gesture which honoured the Association's paternal spirit.

Malaysia has also evidenced a longstanding policy of sympathy, and past strains over Vietnam's responsibility for the refugee boat people arriving on Malaysia's shores have faded. Thailand, long the opponent of Vietnam, moved suddenly during the Chatichai government (mid-1988 to mid-1991) away from confrontation and has since the Vietnamese withdrawal from Cambodia in 1989 and under succeeding governments continued a more co-operative policy. Most recently, Singapore crossed over from suspicion to support. Similar developments have occurred with Laos, but reflecting its lesser role in the Cold War and in regional power relationships, the initiatives have been mostly from neighbouring Thailand and then Malaysia.

Frequent visits by officials, foreign ministers, and heads of government have long been recognized as an important personal element in diplomacy by ASEAN and now by Vietnamese leaders. As Foreign Minister Nguyen Manh Cam observed in late 1992: "The Vietnamese Prime Minister's visits to all ASEAN countries and the visits of some ASEAN leaders to Vietnam have laid the foundation for a new stage. On this basis, relations between Vietnam and ASEAN countries have developed rapidly".[22] Before the visits, some economic foundations were laid; by 1991 Malaysia had removed restrictions on business travel to Vietnam, and the Minister of International Trade sponsored seminars on business.[23] In 1992, Vietnamese Premier Vo Van Kiet visited Malaysia in January, and Prime Minister Mahathir, accompanied by 100 businessmen, made an official six-day visit to Vietnam in April, then in July Prime Minister Kiet paid a private visit to Malaysia. During his official visit, Prime Minister Mahathir's actions and words revealed the historic ASEAN economic orientation to building a new regional order. When he opened a joint-venture branch of a Malaysian bank, Mahathir explained that "a rapidly developing Vietnam would be beneficial for the concept of ASEAN to succeed".[24] At the state banquet given by Premier Vo Van Kiet, Mahathir also offered assistance in rubber technology and raised the possibility of joint oil exploration (subsequently, a pact was announced in June). Mahathir explained his offer as being done "in the spirit of friendship and cooperation and in the firm belief that economically stable and prosperous neighbours will contribute positively to the peace and security of the whole region",[25] thus including Vietnam into the longstanding ASEAN prescription of regional resilience. Malaysia's offers of technology and its status as the largest ASEAN investor in Vietnam indicate, moreover, that this policy is being modified as some ASEAN states are taking a proactive approach towards their neighbours' stability and prosperity.

Building a new political relationship on economic pragmatism has also been the basis of Thailand's new Indochina policy, labelled "economic engagement" by Foreign Minister Prasong Soonsiri.[26] Thailand's policy reversal, offering a co-operative relationship to Vietnam, dates from the government of Prime Minister Chatichai Choonhavan in mid-1988; his "battlefields to a marketplace" initiative signalled the end of a hardline, anti-Vietnamese policy. The Vietnamese withdrawal from Cambodia in September 1989 restored in part a buffer zone and made trust possible. Yet, Chatichai moved too quickly for the comfort of many in Thailand and in other ASEAN states. Consequently, a more modest and reassuring policy was put forward by the successor government of Prime Minister

Anand Panyarachun who seized the bridge metaphor and explained that Thailand sought to "bridge the gap between ASEAN and the rest of Southeast Asia".[27] Subsequently, he developed the "gateway" concept to describe Thailand's role — "Thailand can act as the commercial centre, as a centre for training and technical assistance". This will result in "an interlocking network of mutually beneficial cooperation that will not only give substance to our relationships but also provide the added guarantee that each side has a stake in maintaining and further developing peaceful and friendly relations."[28] Agreements to promote and secure investments have been signed and some projects undertaken, such as a joint gemstones company and a Bangkok International Banking Facility (BIBF) to help in the reconstruction of Cambodia, Laos, and Vietnam. However, Thailand has not yet emerged as a significant trade or investment partner in Vietnam.

Politically, bilateral visits have been more productive: Premier Kiet hosted Prime Minister Anand in January 1992, making this the first visit by a Thai head of government since relations were established in 1976. Previously, Premier Kiet had visited Thailand in October 1991 as part of his visit to Indonesia and Singapore, a trip made noteworthy in that the last such visit by a head of government was in 1978, just weeks before the invasion of Cambodia. A second trip in July 1992 in anticipation of the ASEAN AMM allowed Thailand to illustrate the prospects for cooperation as Premier Kiet was shown the Thai Eastern Seaboard project.

While this tour served to spotlight Thailand's robust economy and thus underline the basis for economic mutuality, some economic conflicts common to several ASEAN neighbours arose between these near-neighbour states. Just days before the prime ministers met, differences emerged in discussions between Thai Foreign Minister Arsa Sarasin and Vietnamese Foreign Minister Nguyen Manh Cam concerning fishing rights and the future of the Mekong Committee.[29] At the subsequent prime ministers' meeting, they reached an agreement to release fishermen held by Vietnam and, characteristic of ASEAN choreography, stressed the positive. Prime Minister Anand summed up the new face that has been put on relations between Vietnam and Thailand: "We talked with open hearts and were able to establish good personal relations. The atmosphere was very conciliatory. There was no exchange of accusations as in the past".[30] This orientation seems to have carried over into the government of Prime Minister Chuan Leekpai, as he explained to a gathering of Malaysian businessmen; "It is my conviction that the higher plane of ASEAN economic co-operation will contribute much to the realization of the Mekong Basin economic cooperation and vice versa. The ultimate outcome will be a Southeast Asia which is attractive to foreign investment, a Southeast Asia which is internationally competitive, a Southeast Asia whose potentials are finally realized''.[31] To this intent, representatives of Thailand, Vietnam, Laos, and Cambodia signed an agreement on Cooperation and Development of the Mekong River in Hanoi on 5 February 1993, the result of "mutual accommodation", in the words of Thai Deputy Foreign Minister Surin Phitsuwan.[32]

The September 1992 opening of the Singapore embassy in Hanoi completes the ASEAN swing from suspicion to acceptance of Vietnam. Increasing economic relations helped pave the way; in 1991 Singapore–Vietnam trade reached US$1 billion. In November 1991, Singapore lifted the investment ban; then from passive assistance, aid became active with an agreement that the Port of Singapore Authority would help Vietnam to develop its ports. This was announced subsequent to Premier Kiet's October 1991 visit, the first in thirteen years. Then, Singapore's Senior Minister Lee Kuan Yew visited Vietnam; though not the head of government, a journey by Mr Lee, one who had for so long articulated the hardline on Vietnam, was noteworthy. As Premier Kiet commented, "[T]his visit by Mr Lee Kuan Yew will contribute to enhancing mutual understanding and promoting the relationship of cooperation between Vietnam and Singapore''.[33] For his part, Mr Lee, though still holding reservations about socialism, paid compliments, reported by the Voice of Vietnam: "Meetings start on time, meetings stop on time, service is prompt, there's no slothfulness, nothing lethargic about it. People bustle in the streets, they get things done, there's a certain purposefulness''.[34] Since then, Singapore has emerged as the largest ASEAN trading partner with Vietnam, and economic pragmatism has driven the relationship, evidenced by the establishment of a Vietnam–Singapore Commission for Cooperation during Singapore Senior Minister of State for Trade and Industry Lim Boon Heng's visit to Hanoi in May 1993 and plans by Singapore companies to help in the development of the port of Vung Tau.

Having served as the buffer between Vietnam and Thailand, Laos is now emerging as a bridge between ASEAN and Indochina. Thailand is already Laos' economic gateway to ASEAN — it is the largest investor in Laos and trade figures show that "economic engagement" is well under way. The establishment of co-operative relations between the two, including the signing of a treaty of friendship in February 1992, means that the two neighbours have also taken the first step through the ASEAN political gateway. Using the ASEAN model, they pledged not to allow their territory to be used as a base for aggression against each other, built upon the 1991 establishment of a Lao–Thai Border Security Committee to discuss means to control terrorism. At its 1992 meeting, commitments were reaffirmed and it was decided that local and provincial border committees should meet. Progress has been made in the resolution of the dispute over the village of Ban Romklao where fighting occurred in late 1987; in March 1993 the deputy foreign ministers were able to sign "agreed minutes" as a step towards resolution.[35]

But obstacles to closer relations remain. Both states have decades of Cold War suspicions to overcome; their ethnic and linguistic similarities have led to suspicions that parallel the Indonesian–Malaysian distrust in the years leading up to the foundation of ASEAN. Both fear that the other covets its territory, with Thailand believing that Laos would like to liberate its northwest province which is Lao-speaking, and Laos apprehensive of Thailand's view that Laos is irredenta. Moreover, some in Thailand see Vietnamese influence in Laos and this affects Thai–Vietnamese relations. In 1991, Thailand resisted Vietnamese requests for a consulate in Udon Thani, fearing their contacts with the Vietnamese who live in the area. Finally, while the hostility between capitalism and communism may be over, there still remains a divergence in socio-economic orientations between these political systems that could work against the strategy of building better relations in economic co-operation. Thailand has been actively wooing Laos to accept more investment and contacts, but debates over the placement of bridges over the Mekong and roads across Laos to Vietnam reveal the Lao concern, typical of the hinterland partner, that increased penetration will allow the Thai economy to overwhelm Laos, a fear shared by both Lao communists and nationalists and mirrored among ASEAN's triangle partners.

A Common Southeast Asian Perspective

At this time when the ASEAN states are beginning to establish a basis for accommodation with Vietnam and Laos, they face the challenge of resolving the conflict in Cambodia, forging a relationship with the regional powers, China and Japan, and creating a suitable order for the Pacific region. Certainly, the resolution of tensions between ASEAN and Vietnam facilitates their common ability to address these challenges.

Cambodia remains the most immediate challenge; indeed it might be that the bridge metaphor applies only when it is meant that the bridge has been constructed over Cambodia. The optimism following the Paris Agreement of October 1991 has faded as the four factions find themselves unable to establish national peace. The United Nations, though bolstered by great power unanimity, has reached its usual peacekeeping limits as local parties have not renounced the use of force and, though the May 1993 elections have been held, their significance has yet to be evaluated. Stabilizing Cambodia remains a common interest to the ASEAN members, Vietnam, and Laos. The Khmer Rouge must be restrained so that Vietnam feels secure; should Vietnam reoccupy Cambodia, Thai insecurity would rise and the stand-off of the 1980s would return, blocking further ASEAN and Western co-operation with Vietnam. For its part, Vietnam would lose trade and investment aid now coming to the country. Yet, despite the common gains to be had from a stable Cambodia, co-operation is not certain. Instead, distrust between old enemies convinces each that the other is holding back an advantage. Some in Thailand fear disguised Vietnamese troops still in Cambodia and note the lack of a pledge not to invade again. The Vietnamese charge that the Thais have been aiding the Khmer Rouge by buying gems and timber, which had encouraged their refusal to disarm and resistance to the electoral process, a charge that Thai Foreign Minister Prasong attempted to counter: "Many countries believe that without the revenue that comes from trading with Thailand, the Khmer Rouge would stop being stubborn. But we do not trade only with the Khmer Rouge. We trade with all Khmer factions. There is no rule forbidding us from doing so".[36] After a visit by Prasong to Vietnamese Foreign Minister Nguyen Manh Cam in December 1992 and the agreement to set up border checkpoints and a ban on logs, Cam took an optimistic outlook: "If Thailand adopts resolute measures, the Khmer Rouge will have to consider its position and implement the Paris Agreement".[37] Seeking to foster a solution to the "intensified military activities" and to break the current impasse, ASEAN foreign ministers issued a joint statement on 15 January 1993 endorsing the proposal for a presidential election in Cambodia. The hope is that "an elected president would facilitate the conduct of the general elections and would also provide an anchor of stability in the period after the general elections".[38]

Concern over the role of the great powers centres on China and most directly on the South China Sea, the body of water around which are found all the ASEAN countries, Vietnam, and China. Therein lie the Spratly Islands claimed wholly or in part by China, Vietnam, the Philippines, Malaysia, Taiwan, and Brunei. Indonesia has taken the lead in sponsoring several conferences of non-officials to discuss solutions to the conflicting claims; the greatest success has been a commitment to peaceful settlement. Also floated has been the idea of a Spratly Commission, along the lines of the Antarctic Treaty, to oversee the development of the sea. ASEAN's bridges to China have taken several forms. In a diplomatic balance, China was again invited as an observer to the 1992 Manila AMM when Vietnam and Laos acceded to the Treaty of Amity and Co-operation. There China gave reassuring public utterances; Philippine Foreign Secretary Manglapus reported that Chinese Foreign Minister Qian Qichen favoured "postponing" the question of sovereignty and working together in "joint exploration",[39] while Malaysian Foreign Minister Badawi said that Qian assured the ASEAN ministers that China did not want to turn the South China Sea into a "hot spot or troubled area".[40] Yet Badawi also commented that "The beautiful [Chinese] statement on policy doesn't reconcile with what's happening on the ground".[41]

The uncertainty about China's intentions has perplexed and divided ASEAN's members for a long time. Suspicions such as those articulated by Foreign Minister Badawi characterize the perceptions of Malaysia and Indonesia. However, both have moved towards less dire perspectives on China, most noted in Indonesia's restoration of relations with China. These derive from the collapse of Maoist insurgencies in their territories, as even statesmen who long represented the deeper suspicions of China, like Malaysia's Mahathir, are speaking with a new outlook: "The past is very much forgotten and in many ways irrelevant".[42]

Now it is the future which preoccupies statesmen as they focus more on China's intentions in the South China Sea. Though Foreign Minister Qian offered reassurances at the 1992 AMM, as did Premier Li Peng during his December 1992 visit to Hanoi, that China would not seek "hegemony or a sphere of influence",[43] it is recalled that after Li gave similar assurances in 1990, the Chinese legislature passed a law reaffirming sovereignty over the islands and, in May 1992 just preceding the AMM, the Chinese government signed an agreement for oil exploration in waters claimed by Vietnam. This, coupled with memories of the 1988 naval clash with Vietnam, recent military spending increases, and speculation about purchases of Russian or Ukrainian aircraft carriers raises some hackles.

The other states which had long held that Vietnam was a greater security threat continue to see China as a restrained power. Singapore Foreign Minister Wong Kan Seng offered a description of what well describes the current policy: "We have to massage China — that is the Asian style".[44] The recent support given economic reforms by the 14th People's Congress suggests to many, like Singapore Defence Minister Yeo Ning Hong, a safe China: "This signals that China wants to concentrate on modernizing her economy. A stable and prosperous China, at peace and cooperating with its neighbours, will add to the momentum of growth in the region".[45] Thailand has also combined its economic engagement strategy with ASEAN geometry in pursuing its "growth quadrangle" initiative with China, Laos, and Myanmar — a project which plans to facilitate development by improving roads and promoting cross-border trade, agreed to by Chinese Foreign Minister Qian on a visit in April 1993.

Having felt the brunt of Chinese forces in 1979 and 1988, Vietnam's interest in ASEAN may well be explained in part by the need for allies.

This divergence of perspective may serve to delay full Vietnamese membership in ASEAN as the original six may not wish to be seen backing up a state whose history orients it to combat China. ASEAN foreign ministers showed their concern about being caught in the middle in the 1992 Manila Declaration on the South China Sea which called on all claimants to "exercise restraint", co-operate in joint projects, and use the Treaty of Amity and Cooperation as the "basis for establishing a code of international conduct over the South China Sea". Though Vietnam announced that it would subscribe to the ASEAN principles, China's Foreign Minister Qian could only offer that he "appreciated some of the basic principles" in the declaration.[46] So far, by inviting both China and Vietnam to forums such as the AMM ASEAN itself serves as a bridge.

Japan, the other great power in the region, does not present such dangerous choices; rather, on the eve of his tour of several ASEAN countries in January 1993, Japanese Prime Minister Kiichi Miyazawa prepared the ground by endorsing ASEAN as "the locomotive leading the world's economy in the 21st century".[47] Then, in Bangkok the region's largest investor unveiled a new initiative to establish a framework for regional co-operation "to develop a long-term vision regarding the future order of peace and security for the region".[48] He endorsed the co-operation of Vietnam, Laos and Cambodia with ASEAN: "Japan considers it important that these countries strengthen their organic cohesion and pursue the development of the region as a whole".[49] (Ironically however, Miyazawa resisted Mahathir's call for a regional economic framework, the East Asian Economic Caucus, preferring instead to work within the broader Asia-Pacific Economic Co-operation forum.) Historical memories surfaced as Thai Prime Minister Chuan welcomed Japan's greater role but ruled out any role as policeman. This role is apparently not part of the plan, but Japan can be seen following an ASEAN model in proposing the largest "growth triangle" in the region, ASEAN–Indochina–Japan, as the means of bringing peace and stability through development.

The ASEAN *rapprochement* with Vietnam and Laos, as seen in their accession to the ASEAN Treaty of Amity and Cooperation, is steadily improving because the parties have adopted more pragmatic outlooks, driven by their desire for development rather than any alliance to balance the larger Asian states. The diplomatic foundation, as President Ramos indicated, is under way: consultations between leaders and joint committees make for working bilateral relationships. And the Philippine–Malaysian case indicates that a commitment to co-operation can rest on a base other than amity. The desire for peace and prosperity shared by all governments supports the diplomatic foundation for building bridges over differences. The architecture also includes trade and investment agreements together with economic growth triangles and quadrangles, whereby neighbours will aid each other's development and thus jointly create regional resilience. In sum, a Voice of Hanoi radio commentary on Vietnam's accession to the Treaty highlighted this development diplomacy which spans ASEAN, Vietnam, and Laos. In a variation on the PIN (peace, independence and and neutrality) slogan advocated in the late 1970s as an alternative to ASEAN's ZOPFAN (Zone of Peace, Freedom and Neutrality), it set forth a new triad of "peace, independence, and development". And to further drive home the point, ZOPFAN was also rewritten to stress economic pragmatism: the treaty would contribute to building "a zone of peace, stability, co-operation, and development".[50]

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The United Nations' Peacekeeping Operation in Cambodia: Overview and Assessment

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This article provides an overview and assessment of the United Nations' peacekeeping operation in Cambodia. The peacekeeping operation was successful from the point of view of registration of voters and the impressive turn-out in the elections. Nevertheless, with the persistent occurrence of political violence in the country, the United Nations failed to create a truly politically neutral climate ahead of the elections. In the military field, the demobilization and cantonment process had to be abandoned, as the Party of Democratic Kampuchea (PDK) refused to join in the process. After the elections, an Interim Joint Administration was created by the four parties represented in the Constituent Assembly and the armed forces of all parties, except the PDK, were merged. The United Nations Transitional Authority in Cambodia will be gradually withdrawn up to mid-November 1993.

The United Nations' Mandate in Cambodia

On 23 October 1991, two agreements concerning Cambodia were signed in Paris: "Agreement on a comprehensive political settlement of the Cambodia conflict" and "Agreement concerning the sovereignty, independence, territorial integrity and inviolability, neutral and national unity of Cambodia". Cambodia was represented by the Supreme National Council (SNC)[1] under the leadership of Prince Norodom Sihanouk.[2]

The Paris agreement on a comprehensive political settlement of the conflict included provisions for the creation of a United Nations Transitional Authority in Cambodia (UNTAC). As expressed in the agreements, UNTAC's mandate in Cambodia was the exercise of powers necessary to ensure the implementation of the agreements. With regard to "civil administration" all administrative units acting in the spheres of foreign affairs, national defence, finance, public security, and information would be under direct UNTAC control. If deemed necessary, other administrative units would also come under direct UNTAC control. UNTAC was to have access to all administrative operations and information and could require the reassignment or removal of any personnel. Furthermore, all police would operate under UNTAC supervision and control. With regard to "military functions", UNTAC's duties were divided in accordance with the two phases envisaged by the Paris agreements. During the first phase, UNTAC was to supervise, monitor and verify the withdrawal of foreign forces and their non-return to Cambodia as well as the cessation of foreign military assistance to the Cambodian parties. UNTAC would also supervise the cease-fire to be observed by the Cambodian parties upon the signature of the Paris agreements. During the second phase involving the demobilization and cantonment of the armed forces of the Cambodian parties, UNTAC would supervise the regrouping and relocating of all forces to cantonment areas. UNTAC would also control and guard military equipment handed over by the parties. With regard to "elections", UNTAC's role was to organize and conduct the general elections to be held in Cambodia. In order to carry out this task, UNTAC was to ensure that appropriate laws were in existence. Furthermore, UNTAC was to register as well as educate voters, design and implement a system of registration of political parties, and establish lists of candidates.[3]

The Paris agreements were preceded by a resolution adopted by the United Nations Security Council on 16 October in which it was decided to establish a United Nations Advance Mission in Cambodia (UNAMIC) to be sent to the country immediately after the signing in Paris.[4] UNAMIC began to function in Cambodia on 14 November 1991.[5] On 28 December, the first meeting of the Mixed Military Working Group (MMWG) was held in Phnom Penh, with the participation of the four Cambodian parties.[6]

On 1 November 1991, the Security Council unanimously adopted a resolution welcoming the Paris agreements.[7] On 20 November, the General Assembly did likewise.[8]

The Creation of UNTAC

On 9 January 1992, the Secretary-General of the United Nations announced the appointment of Yasushi Akashi, a Japanese diplomat, as his personal representative in Cambodia.[9] The formal decision to set up UNTAC was taken unanimously by the U.N. Security Council on 28 February and was based on a report by the Secretary-General.[10] According to the report, UNTAC would have seven components: human rights, electoral, military, civil administration, police repatriation, and rehabilitation. The total number of international personnel with UNTAC was expected to be some 20,532 (volunteers not included), the breakdown being: 526 persons for the central unit in Phnom Penh headed by the Special Representative; 308 persons for the human rights and civil administration components; 15,900 personnel making up the entire military component; 3,600 police officers; 72 persons operating from headquarters; and 126 persons operating at provincial and municipal centres. Furthermore, 400 international volunteers would operate from each of the 200 districts. The electoral personnel would be supplemented by 4,000 Cambodians during the registration phase and by 1,000 international observers, and 56,000 Cambodians during the polling process. All UNTAC components would be assisted by some 7,000 locally recruited personnel. The total cost to UNTAC was estimated at US$1,900 million.

The operation in Cambodia would be divided into four stages. The preparatory stage would last until the end of May 1992, the cantonment and demobilization phase would begin in early June and last until the end of September 1992, the electoral phase would begin in early October 1992 and last until the elections at the end of April 1993, and finally, the post-election phase beginning in early May would last for three months until the end of July 1993. In all, the operation in Cambodia proper would last sixteen months.[11]

UNTAC was officially established with the arrival in Phnom Penh of Yasushi Akashi on 15 March 1992.[12]

The Military and Political Situation from January 1992 to the Elections in Late May 1993

On the military front, fighting erupted in January 1992 in the province of Kompong Thom, forcing some 10,000 civilians to flee their homes. The fighting was reported to have involved the Party of Democratic Kampuchea (PDK) and the State of Cambodia (SOC). More fighting in the province of Kompong Thom was reported during the month of March, with the PDK temporarily cutting off Highway 12, close to the provincial capital. The fighting was brought under control in late April and May after UNTAC officials had convinced the parties to uphold a cease-fire. However, fighting involving the PDK and SOC continued throughout 1992 primarily in the northern and western parts of the country, with greater intensity noted during June in Kompong Thom and from the beginning of the dry season in November in the provinces of Battambang, Kompong Thom and Siem Riep.[13]

The MMWG had continued to meet regularly and at its sixth meeting on 14 February 1992, General Michel Loridon, commander of the military wing of UNAMIC, informed that UNAMIC liaison officers had been deployed at the headquarters of the Front Uni National Pour Un Cambodge Indépendant, Neutre, Pacifique Et Coopératif (FUNCINPEC), the Khmer People's National Liberation Front (KPNLF), and the SOC, but not at the PDK headquarters in Pailin. General Loridon also expressed discontent with the absence of the PDK representatives.[14] The PDK responded on 20 February outlining its stand on a number of issues but without specifically referring to its absence from the MMWG meeting.[15]

At the ninth MMWG meeting on 9 March, General Loridon informed the representatives of the four Cambodian parties that nine check-points would be established along the border between Cambodia and Vietnam, two along the border between Cambodia and Laos, and seven along the border between Cambodia and Thailand. He also remarked on the co-operative attitude of Vietnam and Laos.[16]

Problems relating to the PDK in the military field continued after the establishment of UNTAC and on 9 April Akashi, head of UNTAC, condemned the PDK for not co-operating fully with the United Nations by preventing UNTAC officials from gaining access to territory under PDK control.[17] Access was granted on 20 April after UNTAC had opened three check-points on the border between Cambodia and Vietnam.[18] The deployment of UNTAC personnel along that border was a key request voiced on several occasions by the PDK.[19] By late May all the targeted check-points had been established along the border between Cambodia and Vietnam.[20]

On 9 May General John Anderson, Commander within UNTAC, announced that Phase Two of the military provisions of the Paris agreements would be launched on 13 June.[21] The operation involved the demobilization of 70 per cent of the armed forces of the four parties, estimated at some 200,000 troops and 250,000 militia-men. The remaining 30 per cent were to enter into cantonment.[22] However, the PDK refused to join in this process and stated two main preconditions for proceeding with Phase Two. First, UNTAC should thoroughly investigate if all Vietnamese forces had left Cambodia and ensure that any remaining troops be withdrawn. Secondly, the SOC's administrative structure should be dismantled and its powers transferred to the SNC.[23] Despite the PDK's opposition to UNTAC's decision to launch Phase Two, a PDK representative was present at a MMWG meeting held on 30 May.[24] However, at another meeting on 22 June no PDK representative was present.[25]

On 30 May, the PDK began expressing doubts regarding UNTAC's neutrality.[26] The PDK went as far as to accuse the United Nations of propping up the SOC and thus not abiding by the Paris agreements. The PDK's interpretation was that the U.N. appeal for international aid to Cambodia was only aimed at benefiting the SOC.[27]

The PDK's refusal to join in Phase Two was indirectly criticized unanimously by the Security Council in a resolution on 21 July. This resolution also requested that the Secretary-General and his Special Representative should ensure that international assistance would, from then on, only benefit parties which were fulfilling their "obligations" under the Paris agreements.[28] The PDK was criticized at a Ministerial Conference on the Rehabilitation and Reconstruction of Cambodia, held in Tokyo on 22 June.[29] However, the "Tokyo Declaration on the Peace Process", adopted at the Conference, did not include any direct criticism of the PDK and the group was not even mentioned in the text.[30] At this conference, aid worth US$880 million was pledged. This exceeded the US$600 million which the United Nations had estimated as necessary to rehabilitate Cambodia's economy.[31]

On 1 July 1992, UNTAC's civil administration component began to exercise full control over five of the SOC's ministries — foreign affairs, national defence, public security, finance, and information. By 15 July UNTAC civil administration offices had been established in all 21 provinces of Cambodia.[32] It should also be noted that on 26 May the SNC agreed to a proposal formulated by UNTAC that, in addition to direct UNTAC control of the five key ministries, direct supervision or control would be applied to "organs" dealing with the following fields: "public health, education, agriculture, maritime and riverine fisheries, communications and post, tourism and historical monuments, mines and general administration". All other administrative units would be subjected to general supervision.[33]

Differences among U.N. officials became apparent when General Loridon was removed from his post as second in command within UNTAC in July. Loridon had expressed the view that the United Nations needed to take sterner action against the PDK to ensure that the party complied with the Paris agreements.[34]

Beginning in late June, anti-Vietnamese sentiments seemed to be gaining momentum, with the PDK being the most vocal group, but the KPNLF also expressing similar sentiments. The intention seemed to have been to put pressure on UNTAC to take action and solve what these parties perceived to be a "Vietnamese problem". From early July, the

PDK began using the presence of ethnic Vietnamese in Cambodia as a pretext for its attacks on the United Nations by claiming that the latter was neglecting an alleged massive illegal immigration of Vietnamese to Cambodia and that 700,000 Vietnamese had obtained Cambodian identity cards.[35] The anti-Vietnamese feelings were further reinforced by an influx of Vietnamese migrants who were attracted by the economic liberalization and by the arrival of thousands of well-paid UNTAC personnel as well as other foreigners.[36]

Attempts at making the PDK rejoin the implementation process of the Paris agreements were made by China and Thailand in early August, and by Japan and Thailand in late August and early September. The Sino–Thai efforts mainly revolved around the need to strengthen the role of the SNC and to enhance the leadership of Prince Sihanouk at SNC meetings. Thailand and Japan proposed the setting up of an Administrative Consultative Body (ACB) to strengthen the role and function of the SNC.[37] The PDK responded positively to both initiatives.[38] The SOC's reaction to the Thai–Japanese proposal was to reject it on the basis that it was contrary to the Paris agreements of 1991.[39] Further efforts aimed at making the PDK rejoin the peace process were made by China during the second half of September and by Thailand and Japan in October.[40]

Despite these initiatives, the PDK did not rejoin the implementation process of the Paris agreements. The only co-operative move by the PDK was the announcement on 27 August that it was ready to attend forthcoming MMWG meetings, and its representatives attended the meetings of 17 September and of 3 and 13 October. However, at these meetings, the PDK did not express any willingness to compromise.[41] In this context, it should also be noted that from the beginning of September the PDK increased its propaganda campaign against UNTAC by calling on its chief, Akashi, to step down.[42]

On 5 August the SNC adopted, despite PDK opposition, an electoral law drafted by UNTAC which enfranchised any person born in Cambodia aged 18 and above with a mother or a father born in the country or, in the case of those born overseas, with a mother or a father born in Cambodia whose mother or father was also born in the country (that is, the grandparents also born in Cambodia).[43] This constituted a revision of the Paris agreements which stated that any 18-year-old born in Cambodia or the child of a person born in Cambodia would be eligible to vote.[44] The intention of the law was to disenfranchise new Vietnamese settlers but not ethnic Vietnamese who had lived in the country in the pre-1970 period.

At a SNC meeting on 22 September, Akashi announced that the voter registration process would begin in Phnom Penh on 5 October and would then successively progress throughout the rest of the country.

He also expressed concern over the rise of banditry.[46] Akashi's remarks concerning banditry could very well have been caused by an internal U.N. report dated 18 September which showed that people in Phnom Penh blamed the United Nations for rampant corruption and unsafe streets. People linked the increase in crime to the United Nations' release of detainees from prison under its human rights mandate.[47]

The PDK's continued refusal to join in the demobilization and cantonment process prompted the U.N. Security Council to unanimously adopt a resolution on 13 October which demanded that the PDK "fulfil immediately its obligations" under the Paris agreements. The resolution also included a warning that if the "present difficulties" were not overcome, the Security Council would consider "what further steps" would be appropriate to ensure the realization of the "fundamental" objectives of the Paris agreements. The Secretary-General was requested to report back on 15 November at the latest on the implementation of the resolution.[48]

In his report of 15 November the Secretary-General gave a broad description of UNTAC's achievements. It recorded that about one million of a then estimated 4.5 million potential voters had been registered and that 55,000 troops had entered cantonment and handed over their weapons. However, the cantonment process had not been completed because of the PDK's refusal to take part in it. The Secretary-General could only confirm that the PDK did not comply with its obligations under the Paris agreements. Nevertheless, he did not recommend the Security Council to embark upon an approach which would involve "specific measures" to get the PDK to comply. Thus, the Secretary-General urged continued diplomatic efforts in dealing with the PDK and no sanctions. He also elaborated on the possibility of holding a presidential election and expressed his support for the idea. Furthermore, he said that he had asked his Special Representative to make contingency plans for the organization of such an election.[49]

The Security Council adopted yet another resolution on 30 November by 14 votes in favour and one abstention — China. The resolution took note of the Secretary-General's decision to instruct his Special Representative to make contingency plans for the organization of presidential elections in Cambodia. It determined that UNTAC would proceed with preparations for general elections scheduled to be held in April and May 1993 in all areas of Cambodia to which UNTAC would have access by 31 January 1993. There was also a demand that the PDK "fulfil immediately" its obligations under the Paris agreements. The resolution called on those "concerned" to prevent the supply of petroleum products to areas controlled by "any" Cambodian party that did not comply with the military provisions of the Paris agreements. Furthermore, support was expressed for the decision on a moratorium on the export of logs from Cambodia taken by the SNC on 22 September 1991[50] and UNTAC was requested to take "appropriate measures" to secure its implementation. Finally, a stern warning was issued to the PDK that "should it obstruct" the implementation of the "peace plan", the Council would "consider appropriate measures to be implemented". An example was given, namely to freeze the PDK's assets outside Cambodia.[51] The reason given by China for abstaining in the vote was that, as a matter of principle, it could not support sanctions, regardless of the target. China also expressed its concern about the possible "harmful" effect of a "tripartite" election.[52]

UNTAC began enforcing the ban on the export of logs from Cambodia on 31 December 1992. The ban was directed at all Cambodian parties and not only the PDK. Initially, Thailand expressed displeasure with the plans to introduce sanctions. However, the Thais decided to abide by the sanctions and in early January began blocking oil supplies to PDK-controlled zones in Cambodia, in compliance with the Security Council resolution.[53]

The PDK's response to these moves by the United Nations was to step up its activities directed at the United Nations presence in Cambodia. During the months of December 1992 and January 1993 several incidents were reported which involved the PDK taking UNTAC military personnel as hostages and holding them for one day or a few days before releasing them unharmed. There were also incidents of the PDK shelling U.N. positions apparently in a way which would intimidate but not cause physical harm to the personnel. However, two Cambodians working for UNTAC were killed during such shelling. On the diplomatic front, the PDK continued to stick to its demands.[54]

At a SNC working session on 10 December 1992, FUNCINPEC and the KPNLF pressed for two revisions of the electoral law adopted in August. First, they wanted to franchise the so-called "Khmer Krom" residents in Cambodia, that is, ethnic Khmers born or with a parent born in southern Vietnam. Secondly, they wanted to allow Cambodians living overseas to register outside Cambodia. The electoral law stated that registration must be made in Cambodia. The Secretary-General, after careful consideration, and in view of the support expressed for the two proposals by Prince Sihanouk, decided to instruct his Special Representative not to approve the revisions.[55]

During the month of December 1992 the political violence escalated sharply, with the main target being FUNCINPEC.[56] As a response to this situation, Prince Sihanouk sent a letter to Yasushi Akashi on 4 January 1993 in which he declared that he had decided to cease co-operating with UNTAC. His main reason was that "unbridled criminal activities" had been launched against his party.[57] This prompted Akashi to pay

Prince Sihanouk a visit in Beijing, so as to report to him on the measures taken by UNTAC to promote a neutral political environment. During the discussions, Prince Sihanouk expressed his readiness to hold a meeting of the SNC in Beijing on 28 January. He also "confirmed" that he would be a candidate in the envisaged presidential elections.[58] The measures referred to by Akashi included the redeployment of both the military and police component of UNTAC to carry out "intensive" patrols and mount "static guard duty" around offices of political parties which were deemed at risk. Another related move by Akashi, on 6 January, was to issue a directive establishing procedures for the prosecution of persons "responsible" for violations of human rights. Pursuant to this directive, UNTAC assumed powers to arrest, detain and prosecute suspects involved in serious violations of human rights. These powers were to be exercised in accordance with the provisions relating to the "Judiciary and Criminal Law and Procedure Applicable in Cambodia during the Transitional Period", adopted by the SNC on 10 September 1992.[59]

The idea of holding presidential elections prior to the general elections in Cambodia was endorsed by the foreign ministers of the member states of the Association of Southeast Asian Nations (ASEAN) on 15 January. The ASEAN members also expressed their support for Prince Sihanouk's candidacy.[60] The holding of early presidential elections was seen as a way of ensuring a stable political situation in the run up to the general polls. Prince Sihanouk was widely expected to be elected president. Initially, the Prince responded positively to the calls on him to run for the presidency.[61] Later, he decided against the holding of presidential elections prior to the general elections and pointed to the fact that the Paris agreements did not anticipate presidential elections before or at the same time as legislative polls.[62] In fact, the Paris agreements did not include any provision for the holding of presidential elections in the country.[63].

At the meeting of the SNC in Beijing on 28 January it was decided that the general elections would be held on 23 to 25 May 1993. The dates were proposed by Akashi and accepted by the SNC.[64]

In late January 1993, the SOC launched what seemed to have been a co-ordinated offensive against the PDK's positions. The SOC claimed that it did not intend to capture any territory which the PDK controlled prior to the Paris agreements. The aim apparently was to push the PDK back to the line of demarcation: the offensive was officially called off after a few days, with the SOC claiming to have achieved its objective. UNTAC called it the biggest cease-fire violation since the deployment began in March 1992 and stated that it had gone beyond self-defence permitted under the Paris agreements. The SOC voiced its desire to see UNTAC establish a buffer force between the two sides.[65].

At an SNC meeting on 10 February in Phnom Penh, Akashi reported that the voter registration had been completed, with nearly 4.7 million voters having registered, and that 20 political parties had registered by the 27 January deadline. He also informed that the electoral campaign would last from 7 April to 18 May and that UNTAC would accord all parties equal opportunities to use UNTAC's publicity machinery. At the meeting, it was also decided to adopt a moratorium on the export of minerals and gems. However, the PDK opposed the decision.[66]

The PDK had created a political party, the National Unity of Cambodia Party (NUCP) on 29 November 1992[67] but the NUCP was not among the 20 parties registered for the elections. Among the other parties of the SNC, the Cambodian People's Party (CPP) was registered as representative of the SOC. FUNCINPEC was registered and led by its President, Prince Norodom Ranariddh, one of Prince Sihanouk's sons. The KPNLF was not registered to take part in the elections. Instead, its followers had created two main parties: the Buddhist Liberal Demoractic Party (BLDP), led by its Secretary-General, Son Soubert; and the Liberal Democratic Party (LDP), led by its President, Sak Sutsakhan.[68]

In January and February 1993, the repatriation of some 365,000 Cambodians from Thailand reached a peak, with 40,000 returning each month. The whole operation launched on 30 March 1992 had been slow in the beginning with only 4,000 persons returning in April 1992, but by June it had increased to a rate of 20,000 a month and reached 30,000 in July. The process was completed at the end of April 1993.[69]

On 1 March UNTAC announced that it had discovered three ethnic Vietnamese who had served with the Vietnamese forces in Cambodia and who were therefore to be regarded as "foreign forces". UNTAC requested Vietnam to take the three persons back as Vietnamese "nationals". All three were in possession of identity cards issued by the SOC and two were still serving in the Cambodian People's Armed Forces (CPAF), that is, the SOC's armed forces.[70] Vietnam refused to take the three persons back, claiming that they were civilians and Cambodian "citizens", married to Cambodian women, and publicly rejected UNTAC's stand on the matter. Furthermore, Vietnam reiterated that it had never sent any troops to Cambodia after the final withdrawal in September 1989.[71] The Security Council reacted swiftly to UNTAC's announcement and adopted a resolution on 8 March which included the following preamble paragraph:

> Expressing strong concern at recent reports by UNTAC of a small number of foreign military personnel serving with the armed forces of the SOC in violation of the Paris Agreements; calling on all parties to cooperate fully with UNTAC investigations of reports of foreign forces within the territory under their control; and emphasizing the

> importance of the immediate removal of all foreign forces, advisors of military personnel from Cambodia.[72]

Vietnam's response to the resolution was to reiterate the essence of its stand with regard to UNTAC's announcement of 1 March.[73] The SOC also took the stand that the three ethnic Vietnamese men were not to be regarded as "foreign forces".[74]

In an attack which took place on 10 March in a village located in Siem Reap province, 33 ethnic Vietnamese were killed and 24 others wounded. Two of the attackers were also killed. Investigations carried out by UNTAC concluded that the attackers were members of a National Army of Democratic Kampuchea (NADK) unit (the PDK's armed forces).[75] Vietnam officially condemned the massacre and called on UNTAC to protect the ethnic Vietnamese in Cambodia. Vietnam also linked the attack to UNTAC's earlier claim that it had found three ethnic Vietnamese who had been regarded as "foreign forces" and to the Security Council resolution of 8 March.[76] Two more attacks on ethnic Vietnamese took place in March. First, on 24 March three fishing boats were attacked in the province of Kompong Chhang, killing eight persons. In the second, on 29 March, at least four "premises" in Phnom Penh frequented by "Vietnamese speaking" persons were attacked, which left two dead and at least twenty injured. These attacks caused a large number of ethnic Vietnamese to leave Cambodia beginning in late March, and by 28 April a total of 21,659 persons had entered Vietnam through UNTAC checkpoints. Judging by this UNTAC-controlled movement, the number of persons crossing the border had by then been "considerably reduced".[77]

At a SNC meeting on 10 April Yasushi Akashi was reported to have severely criticized the PDK on a number of issues, such as the attacks on UNTAC, on Cambodians, and on ethnic Vietnamese. Furthermore, the PDK's rejection of the elections was a violation of the Paris agreements. He also reportedly warned that by their actions the PDK risked losing the legitimacy it had obtained through the signing of the agreements.[78] However, this did not make the PDK more co-operative. On the contrary, on 13 April Khieu Samphan, Chairman of the PDK, informed Prince Sihanouk that he was "forced to temporarily" withdraw from the PDK office in Phnom Penh, citing "security" concerns. In response, Akashi offered to provide him with UNTAC security but the latter declined.[79] On 15 April Khieu Samphan gave a more detailed explanation over the PDK radio and, apart from reiterating the security reasons, he declared that he and his colleagues would leave Phnom Penh after the start of the election campaign on 7 April. He affirmed the PDK's opposition to the holding of the elections.[80]

Akashi's criticism directed at the PDK should be seen in the light of attacks on UNTAC personnel leading to the death of a Bangladeshi soldier on 27 March, a Bangladeshi civilian on 29 March, and three Bulgarian soldiers on 2 April. Investigations into these killings indicated that the NADK was responsible for the murder of the four soldiers whereas CPAF soldiers had killed the Bangladeshi civilian. There was also the killing of a Japanese volunteer acting as district electoral supervisor in the province of Kompong Thom on 8 April. Investigations revealed in this instance that none of the Cambodian parties had been involved.[81] Nevertheless, all the volunteers in the ten central and western provinces were instructed to withdraw from the countryside and not to travel without armed escorts. Attacks on UNTAC personnel continued throughout April and into the month of May.[82] Politically-motivated violence was also reported during the first five months of 1993, although at a lower level than in December 1992, but still alarming in view of UNTAC's goal of creating and maintaining a "neutral political environment". It should be noted that during April the level of violence declined compared to the second half of March. However, the month of May seems to have been more violent than April in the run-up to the elections. Military activities were also reported in May, with the most spectacular being the NADK's attack on the town of Siem Reap, resulting in a brief occupation of the airport before the CPAF repulsed it. In view of the military activities and attacks on UNTAC's own personnel and on civilian Cambodians, the elections were organized in an environment which was not as "disarmed" and not as "politically neutral" as envisaged at the outset.[83]

The elections were held as planned from 23 to 28 May with the the participation of 89.56 per cent of the registered voters.[84] The expected massive disruption campaign by the PDK did not materialize and only a few incidents occurred. The election results showed that no single party had obtained a majority of the 120 seats in the Constituent Assembly. The largest party was FUNCINPEC with 45.47 per cent of the votes, and the CPP was next with 38.23 per cent of the votes. The rest of the votes were divided among the remaining 18 parties. In terms of seats in the Constituent Assembly, FUNCINPEC got 58, CPP 51, BLDP 10 and MOULINAKA, a smaller royalist party, 1. As a reaction to progress reports on the counting of the votes, the CPP demanded that the results be annulled in Phnom Penh and the provinces of Battambang, Kompong Chhang and Prey Veng because of irregularities, and that polling should be carried out afresh in these parts of the country. UNTAC refuted the CPP's complaints and declared that the elections had been "free and fair".[85]

The elections were followed by a declaration of secession by six eastern and northeastern provinces under the leadership of Prince Norodom

Chakrapong, a senior figure of the CPP and one of Prince Sihanouk's sons. Eventually, the secession was ended and the CPP accepted the results of the elections. In the meantime, a political solution had been reached on a power-sharing formula between the four parties represented in the Constituent Assembly, which established an Interim Joint Administration (Provisional National Government) to rule the country until a constitution had been adopted and the Constituent Assembly had transformed itself into a Legislative Assembly. A Programme of Action for a period of three months was also agreed upon. On 1 July the Constitutent Assembly gave a vote of confidence to the Interim Joint Administration and unanimously adopted the Programme of Action. It was also decided that the armed forces of FUNCINPEC, the KPNLF and the SOC would be brought under a central command and that Prince Sihanouk would be the supreme commander.[86]

The PDK's response to the outcome of the elections and to the subsequent evolution was to express a willingness to merge its armed forces with the new unified armed forces and its interest in getting an advisory role in the running of the country. Another noteworthy event in July was the U.N. Secretary-General's announcement that UNTAC would be gradually withdrawn from early August to mid-November 1993. It can be noted that the withdrawal plan is "premised" on the assumption that the drafting and adopting of a new constitution and the subsequent establishment of a new Cambodian government will be "expeditiously completed".[87]

Conclusion

The United Nations peacekeeping operation in Cambodia had been plagued with problems because of UNTAC's troubled relations with primarily the PDK and at times the SOC. The biggest headache was the PDK's refusal to join the demobilization and cantonment phase of the Paris agreements. The differences between UNTAC and the PDK led to a situation in which the latter, in practice, did not take part in the peace process except as a party represented in the SNC from May 1992 to mid-April 1993. Thereafter, the PDK withdrew from its office in Phnom Penh and ceased to be part of the SNC. With regard to the SOC, differences were bound to occur since most of UNTAC's attention was devoted to the existing administrative structures and, as such, had to be directed at the SOC which controlled most of the territory of Cambodia. UNTAC also found it difficult to ensure that opposition parties were not subject to harassment in SOC-controlled areas. The election results led to differences between UNTAC and the SOC, with the latter claiming voting irregularities in Phnom Penh and three provinces.

On a more positive note, the repatriation of Cambodians from Thailand was completed ahead of the elections, some 4.7 million persons registered as voters, and almost 90 per cent turned out to vote in the elections. However, the registration of voters was not carried out in PDK-controlled areas, nor were there any polling stations in those areas.

The United Nations pursued two different approaches in dealing with the PDK. Diplomacy was used throughout 1992 and in late November the Security Council decided to introduce limited sanctions against any party which did not abide by the military provisions of the Paris agreements. The diplomatic approach did not succeed in making the PDK more willing to comply with the Paris agreements. With regard to sanctions, it is generally understood that without full co-operation from neighbouring countries they cannot be expected to be effective. Thailand, which stood to lose most, economically, from sanctions against the PDK was in this context the key to the successful implementation of the sanction.[87] As noted earlier, after its initial reluctance, Thailand pledged to abide by the decisions taken by the Security Council and claimed to have halted the export of oil to Cambodia. However, the PDK did not seem to have been particularly affected by the sanctions and it can be assumed that the PDK was able to procure the necessary amount of oil via Thai territory through unofficial channels.

A few more observations can be made with regard to the general elections. First, the fact that the PDK did not take part in the elections and had urged the people to boycott them meant that all those living in areas under PDK control were prevented from taking part in the elections. However, there are indications that voter registration was above 100 per cent in certain districts, and this seems to indicate that some persons living in PDK-controlled zones could have registered in zones under the control of other parties, and taken part in the elections. Secondly, the PDK not only used verbal propaganda but attempted to disrupt the elections in as many parts of the country as possible, thus forcing UNTAC to withdraw permanent polling stations in remote areas, particularly in the west and northwest, ahead of the polling. Nevertheless, few such incidents were reported during the actual polling. Thirdly, the security conditions in non-PDK controlled zones were not as "politically neutral" as would have been ideal to conduct free and fair elections. Political violence was reported during most of 1992 and 1993 in the run-up to the elections.

Since the demobilization and cantonment process was put to a halt and even reversed because of the PDK's refusal to join in this process, some of the participating parties still had armed forces at their disposal after the elections, as did the PDK. This situation does not augur well for peace in the post-election period. On the other hand, if all the parties, excepting the PDK, had been demobilized there would have been no party left in the country to militarily resist an attempt by the PDK to gain power through the use of force.

In sum, it can be said that the United Nations failed in the military objective, since the demobilization and cantonment process was abandoned because of the PDK's refusal to take part. On the political level, the operation was much more successful with regard to registration of voters and the impressive turn-out in the elections. As always, the achievements and failures of a U.N. peacekeeping operation mainly depend on the behaviour of the local parties involved. Without their full co-operation, such an operation cannot fully succeed.

The election results indicate that the opposition parties were able to propagate their political programmes in areas of the country controlled by the SOC despite political violence and intimidation. The main reason for this was that UNTAC managed to ensure all parties access to the media. Lack of access to the media is often a major handicap of opposition parties in general elections.

FUNCINPEC has to be regarded as the winner of the elections. It was successful in propagating that it was the party of Prince Norodom Sihanouk, the symbol of national unity. The party represented some sort of a national reconciliation alternative since it did not propagate an all-out isolation of the PDK. However, its policy towards the PDK displayed ambivalence, with conciliatory statements on certain occasions and outright condemnation on others. Therefore, it is doubtful whether the national reconciliation factor could have been a decisive asset during the elections.

The CPP has to be regarded as the loser since it was in control of 80 per cent of the country prior to the elections but did not get a majority of the votes. Losing in the capital, Phnom Penh, might not be such a surprise since ruling parties often lose elections in the administrative capital. In other parts of the country it is more difficult to explain the CPP's failure to capture more votes. It is obvious that the hardline attitude towards the PDK did not generate the amount of votes that the CPP had hoped for. Furthermore, the notion that the CPP was the only party capable of ensuring safety to the population did not seem to have convinced a majority of the voters.

The political evolution after the elections has mainly been influenced by the election results. The two major parties, FUNCINPEC and the CPP, each has the voting power to block any proposal for a new constitution but they do not have the power to impose a new constitution unless they co-operate. This is due to the fact that a two-thirds majority of the 120 members of the Constituent Assembly would have to support a new constitution. Thus, a new Cambodian constitution has to be agreeable to the two major parties. The abortive secession of six eastern and north-eastern provinces under the leadership of Prince Chakrapong can be seen either as an attempt by the whole of the CPP leadership to gain political influence by putting pressure on FUNCINPEC or as an indication of a divergence of view within the party on how to respond to the defeat in the elections, with some leaders going for secession and others being more willing to work within the post-electoral political system. Yet another dimension of the political equation is the differences within the royal family, between Prince Ranariddh and Prince Chakrapong. However, despite the political differences between the main Cambodian parties they have managed to reach an agreement on power-sharing and on the creation of an interim coalition government.

Another dimension relates to the military question. The CPP's armed forces are large whereas FUNCINPEC has only limited military strength. A new Cambodian government will need armed forces capable of maintaining a credible defence for external threats and for security, and such a force would have to be built largely on the CPAF. The military supremacy of the CPP among the parties taking part in the elections could have tempted the party to use its military power to pressure FUNCINPEC for political concessions. The military question has at least been formally settled through the agreement to merge the armed forces of FUNCINPEC, the KPNLF and the SOC.

The political and military agreements between the Cambodian parties represented in the Constituent Assembly will be put to the test in the coming months when a new constitution will have to be agreed upon by the parties in the Interim Joint Administration. Another major problem for the government will be to come to some agreed policy towards the PDK. Such a policy will depend not only on the parties in government and their respective political interests but also on the course of action taken by the PDK. The PDK's moves after the formation of the Interim Joint Administration have created a domestic dilemma for the parties represented in that administration on how to respond and have also generated international reactions, with the United States threatening to terminate its economic assistance to Cambodia if the PDK is involved in the running of the country.

The decision to gradually withdraw UNTAC from Cambodia over a period of three and a half months shows that the Secretary-General has taken note of the agreements reached by the parties represented in the Interim Joint Administration and possibly also the more conciliatory signals from the PDK. The decision is in accordance with UNTAC's mandate which limits the operation in Cambodia to a period not exceeding

18 months, that is, September 1993. However, the withdrawal is not likely to be completed within that time-frame.

NOTES

• The author wishes to acknowledge the economic support of the Nordic Institute of Asian Studies and the Wenner-Gren Center Foundation, which made this study possible.

1. At a meeting held in Jakarta on 9 and 10 September 1990. The four warring Cambodian parties decided to create a SNC wihich would have twelve members, six from the SOC and two from each of the other three parties, FUNCINPEC, the KPNLF, and the PDK.
2. United Nations Documents A/46/608-S/23177, 30 October 1991. (Hereafter, only the official United Nations' acronym and the date will be given.)
3. Ibid., pp. 8–47.
4. Resolution 717 (1991), 16 October 1991.
5. S/2331, 30 December 1991.
6. *British Broadcasting Corporation, Summary of World Broadcasts, Part Three, Far East/* 1269/B/4 (hereafter cited as *BBC/FE*), 4 January 1992.
7. Resolution 718 (1991), 1 November 1991.
8. Resolution 46/18, 20 November 1991.
9. Ted Morello, "Japanese muscle", *Far Eastern Economic Review* (hereafter cited as *FEER*), 23 January 1992, p. 13. *Keesing's Record of World Events* (hereafter cited as Keesing's), Vol. 38, News Digest for January 1992, p. 38724.
10. Resolution 745 (1992), 28 February 1992.
11. S/23613, 19 February 1992; and S/23613/Add. 1, 26 February 1992.
12. S/23870, 1 May 1992, p. 2. This document is the first progress report of the Secretary-General on UNTAC in Cambodia.
13. For the first half of 1992, see S/23870, p. 1; *BBC/FE*/1410/B/1, 18 June 1992; Nate Thayer, "Unsettled land. UN's delayed arrival starts to undermine peace settlement", *FEER*, 27 February 1992, p. 22; Murray Hiebert "Draining the swamp. Peace process grinds slowly forward", *FEER*, 11 June 1992, p. 24; *Keesing's*, Vol. 38, News Digest for January 1992, p. 38724; News Digest for March 1992, p. 38817; and News Digest for June 1992, p. 38964. For November–December 1992, see S/24800, 15 November 1992, p. 3; and S/2514, 25 January 1993, pp. 2 and 8–9. This document is the third progress report of the Secretary-General on UNTAC in Cambodia.
14. BBC/FE/1307/B/1, 18 February 1992.
15. BBC/FE/1313/B/2, 25 February 1992.
16. BBC/FE/1331/B/3, 17 March 1992.
17. BBC/FE/1359/B/1, 20 April 1992.
18. BBC/FE/1363/B/4, 24 April 1992; and Keesing's, Vol. 38, News Digest for April 1992, p. 38864.
19. See, for example, BBC/1337/B/2, 24 March 1992; *BBC/FE*/1347/B/3, 4 April 1992; and BBC/FE/1351/B/3, 9 April 1992.
20. BBC/FE/1399/B/3, 5 June 1992.

21. *BBC/FE/B/2-3*, 12 May 1992; and S/24090, 12 June 1992. This document is a special report of the Secretary-General on UNTAC in Cambodia.
22. A/46/608-S/23177, pp. 28–32. The figures pertaining to the armed forces and militia were mentioned in the Secretary-General's report of 19 February 1992 (S/23613, p. 14).
23. These two points were the essence of the "military aspect" and the "civilian aspect" referred to by the PDK; see *BB/FE/1389/B/3-4*, 25 May 1992. The stand was reiterated in a communiqué issued by the NADK dated 30 June (BBC/1405/B/2-3, 12 June 1991). On 14 June the PDK defended its stand in a radio broadcast and reiterated its two main prerequisites (BBC/1408/B/1, 16 June 1992).
24. *BBC/FE/1399/B/2*, 5 June 1992.
25. BBC/FE/1418/B/2, 27 June 1992.
26. *BBC/FE/1396/B/2*, 2 June 1992.
27. *BBC/FE/1406/B/2*, 13 June 1992.
28. Resolution 766 (1992), 21 July 1992.
29. Nayan Chanda, "Ghost at the feast. Khmer Rouge decries UN aid, blocks peace process", *FEER*, 2 July 1992, p. 8; *Keesing's*, Vol. 38, News Digest for June 1992, p. 38964; and Jean-Claude Pomonti, "A la conférence de Tokyo. L communauté internationale a offert 880 millions de dollars pour la reconstruction du Cambodge", *Le Monde*, 24 June 1992, p. 5.
30. A/47/285-S/24183, 25 June 1992, pp. 2–4.
31. Ibid., p. 6. By March 1993 only about US$100 million had been disbursed. However, the "donors' meeting", in Phnom Penh on 25 February 1993 reaffirmed the commitments made at the Tokyo Conference (S/25719, 3 May 1992, p. 19). This document is the fourth progress report of the Secretary-General on UNTAC in Cambodia.
32. S/24578, 21 September 1992, p. 7. This document is the second progress report of the Secretary-General on UNTAC in Cambodia.
33. Ibid., p. 9.
34. Nayan Chanda, "UN divisions. Signs of growing Franco-Australian rivalry within peacekeeping force", *FEER*, 23 July 1992, pp. 8–9; and *Le Monde*, 31 July 1992, p. 5.
35. For example, Ieng Muli, a senior official in the KPNLF, did so in an interview on 25 June 1992 (BBC/FE/1421/B/3-4, 1 July 1992, p. 19). On 3 July Son Sann, President of the KPNLF, elaborated on the same theme (*BBC/FE/1427/B/2-3*, 8 July 1992). The PDK position and the detailed allegations were outlined in a letter by Khieu Samphan, Chairman of the PDK, to the Secretary-General of the United Nations, dated 9 July 1992 (BBC/1431/B/5-7, 13 July 1992). In another letter in July, Khieu Samphan claimed that the number of Vietnamese settlers had reached nearly two million (*BBC/FE/1440/B/3*, 23 July 1992). The same claim was put forward at the SNC meeting of 23 July (*BBC/FE/1440/B/1*, 28 July 1992). On this issue, see also Nayan Chanda, "Wounds of history. Surging resentment of Vietnamese could spark new pogrom", *FEER*, 30 July 1992, pp. 14–16.
36. Ibid., p. 15.
37. *BBC/FE/1450/A21/1-2*, 4 August 1993; *BBC/FE/1452/A2/1*, 6 August 1992; *BBC/FE/1456/A2/1*, 11 August 1992; and *BBC/FE/1464/A2/4*, 20 August 1992.
38. *BBC/FE/1463/A1/4-5*, 19 August 1992; and *BBC/FE/1474/A21/1*, 1 September 1992.
39. Views expressed by Hun Sen, Prime Minister of SOC, in a speech on 28 August 1992 and at a news conference on 29 August (*BBC/FE/1474/A2/1-4*, 1 September 1992).
40. *BBC/FE/A/1*, 24 September 1992; and S/24800, pp. 7–11.
41. *BBC/FE/1472/B/3*, 29 August 1992; *BBC/FE/1495/B/1-2*, 25 September 1992; *BBC/FE/1511/B/2*, 14 October 1992; and *BBC/FE/1519/B/2*, 23 October 1992.
42. *BBC/FE/1477/B/1*, 4 September 1992; and *BBC/FE/1481/B/1*, 9 September 1992.

43. *BBC*/1464/B/1, 20 August 1992.
44. A/46/608-S/23177, p. 40.
45. *BBC/FE*/1460/B/2, 15 August 1992.
46. *BBC/FE*/1501/B/1, 2 October 1992.
47. Nayan Chanda, "Easy scapegoat. People blame the UN for all their woes", *FEER*, 22 October 1992, p. 18.
48. Resolution 783 (1992), 13 October 1992.
49. A/24800, pp. 1–7. The report also informed that the military component of UNTAC would be redeployed to protect the voter registration exercise and subsequently the electoral and polling process. The reason given was that it had not been able to carry out the demobilization and cantonment process (Ibid., p. 7).
50. The PDK had "reluctantly" opposed the proposal because of its wording on matters other than the ban on logging which seems, in principle, to have been agreeable to the PDK (*BBC/FE*/1496/B/2, 26 September 1992).
51. Resolution 792 (1992), 30 November 1992.
52. *BBC/FE*/1556/i, 5 December 1992.
53. *BBC/FE*/1578/A2/4, 5 January 1993; and *BBC/FE*/1583/A2/2, 11 January 1993. For an overview of the initial problems between the United Nations and Thailand, see Nayan Chanda, "Strained ties. Poor U.N. relations with Bangkok mar peace process", *FEER*, 17 December 1992, pp. 26 and 28; and Nayan Chanda and Rodney Tasker, "Over the border", *FEER*, 17 December 1992, p. 29.
54. *BBC/FE*/1554/i, 3 December 1992; *BBC/FE*/1555/i, 4 December 1992; *BBC/FE*/1556/B/1-2, 5 December 1992; *BBC/FE*/1570/B/1-2, 22 December 1992; *BBC/FE*/1571/B/3-4, 23 December 1992; and, *BBC/FE*/1577/B/2, 4 January 1993. See also S/2514, pp. 10–11.
55. Ibid., pp. 7–8. At a meeting of the SNC on 8 December Son Sann was reported to have demanded that the "Khmer Krom" living in Vietnam be allowed to participate in the Cambodian elections. Vietnam officially rejected the idea, stating that the elections "do not concern Cambodians having Vietnamese nationality who are currently living in Vietnam" (*BBC/FE*/1565/A2/5-6, 16 December 1992).
56. In his third progress report on UNTAC in Cambodia of 25 Janury 1993, the Secretary-General confirmed that most attacks were directed at FUNCINPEC and the BLDP (S/2514, pp. 20–21).
57. *BBC/FE*/1580/B/7, 7 January 1993; and *BBC/FE*/B/3, 9 January 1993.
58. S/25124, p. 4.
59. Ibid., p. 22; and S/25719, p. 2. In this fourth progress report, the Secretary-General confirmed that the month of December 1992 had displayed an unprecedentedly high level of political violence and that the measures implemented by UNTAC had led to a market reduction in the level of politically motivated violence between December 1992 and March 1993 (S/25719, pp. 3–4). Throughout the peacekeeping operation, UNTAC had tried to promote the respect for human rights. For example, support was given to Cambodian human rights organizations and an "International Symposium on Human Rights in Cambodia" was held in Phnom Penh from 30 November to 2 December 1992 (S/25124, p. 5. and E/CN.4/1993/19/Add. 1, 14 January 1993). With the Cambodian parties, UNTAC provided human rights education in Phnom Penh and in the provinces. A set of "curricular" materials on human rights was provided by UNTAC to be used at all levels of the educational system of the SOC and teachers as well as judicial officials were trained. The programme was extended to FUNCINPEC and KPNLF zones. UNTAC also made an effort in the field of detention through the work of a Prisons Control Commission. By September 1992 all prisons under SOC control had been subject to UNTAC attention. Furthermore, UNTAC deployed human

rights officers in the zones controlled by the different parties. By early October the deployment was completed in FUNCINPEC, KPNLF and SOC controlled zones. No access seems to have been granted to the zone controlled by the PDK (E/CN.4/1993/19, 14 January 1993, p. 5; S/24578, pp. 2-3; S/25124, pp. 4–6; and S/25719, pp. 4–5).

60. *BBC/FE/*1589/A2/6-7, 18 January 1993.
61. *BBC/FE/*1593/B/1-2, 22 January 1993. See also footnote 59.
62. *BBC/FE/*1598/B/1-2, 28 January 1993.
63. A/46/608-S/23177, p. 40.
64. *BBC/FE/*1600/i, 30 January 1993.
65. BBC/1604/A2/1 and B/6, 4 February 1993; and S/25719, p. 2. See also Nate Thayer and Nayan Chanda, "Shattered Peace", *FEER*, 11 February 1993, pp. 10–11.
66. BBC/1613/B/2-3, 15 February 1993.
67. *BBC/FE/*1552/B/2-3, 1 December 1992; and *BBC/FE/*1555/B/1-5, 4 December 1992.
68. BBC/1625/B/3-4, 1 March 1993. The expression "led by" refers to the person leading the party in the general elections.
69. S/25719, p. 18.
70. Ibid., pp. 10–11; and *BBC/FE/*1620/i, 2 March 1993. A further four Vietnamese men were later identified as "foreign forces" by UNTAC (S/25719, p. 10).
71. *BBC/FE/*1630/A1/2, 8 March 1993.
72. Resolution 810 (1993), 8 March 1993.
73. *BBC/FE/*1634/A1/2, 11 March 1993.
74. *BBC/FE/*1635/B/1-2, 12 March 1993.
75. S/25719, pp. 22–23. This was not the first attack on ethnic Vietnamese in Cambodia resulting in casualties. In late April and again in May 1992 attacks on ethnic Vietnamese were reported. In July, another attack was reported. From October to December further attacks were noted. (For details and reactions see, for example: April–May — Nayan Chanda, "Dark days at Kok Kandal", *FEER*, 30 July 1992, pp. 14–15; July — *BBC/FE/*1445/A2/1, 29 July 1992; *BBC/FE/*1447/A2/1-2, 31 July 1992; *BBC/FE/*1448/B/1, 1 August 1992; *BBC/FE/*1450/A2/1, 4 August 1992; and *BBC/FE/*1460/B/1-2, 15 August 1992; October–December — S/25124, pp. 20–21; *BBC/FE/*1517/A1/6-7, 21 October 1992; *BBC/FE/*1578/A2/4, 5 January 1993; and *BBC/FE/*1582/A1/5, 9 January 1993).
76. *BBC/FE/*1636/A2/1, 13 March 1993; and *BBC/FE/*1638/A2/6-7, 16 March 1993. The link between the disclosure of the three Vietnamese men as "foreign forces" and the massacre was also made by external observers. See, for example, "Killing Fields II. Legitimizing the Khmer Rouge", *FEER*, 25 March 1993, p. 5; and Nate Thayer, "Martial Races. UN search for Vietnamese forces fuels 'ethnic cleansing'", *FEER*, 25 March 1993, p. 30.
77. S/25719, p. 23. See also Nayan Chanda and Nate Thayer, "Rivers of Blood. Khmer Rouge step up drive against Vietnamese", *FEER*, 8 April 1993, p. 22; and Nate Thayer, "Wretched of the Earth", *FEER*, 15 April 1993, p. 21. The casualty figures are taken from the United Nations document.
78. *BBC/FE/*1660/B/2-3, 12 April 1993.
79. *BBC/FE/*1664/B/3, 16 April 1993; *BBC/FE/*1667/B/7, 20 April 1993; and S/25179, pp. 3–4.
80. *BBC/FE/*1665/B/2-3, 17 April 1993. In an interview with the *Far Eastern Economic Review* on 3 April, Khieu Samphan warned that the level of violence would increase if UNTAC went ahead with the polls (Nate Thayer, "Bloody Agenda. Khmer Rouge set out to wreck planned elections", *FEER*, 15 April 1993, p. 20).
81. S/25669, 27 April 1993, pp. 1–2; and S/25719, p. 24.
82. Ibid., pp. 9–10 and 17–18; and S/25669, pp. 2–3. By 3 May 1993, eleven UNTAC personnel had been killed as a result of hostile action and 39 had died from other causes

(S/25719, p. 10). For attacks in May, see *BBC/FE/*1680/i, 5 May 1993; *BBC/FE/*1681/i and A1/1, 6 May 1993; and *BBC/FE/*1683/B/2, 8 May 1993.

83. S/25719, pp. 21–25; and S/25124, pp. 20–22. For reports on the level of political violence and military activities during May, see Nate Thayer, "Shot to Pieces", *FEER*, 20 May 1993; Jean-Claude Pomonti, "Les Khmers Rouges ont attaqué l'aéroport de Siem-Réap", *Le Monde*, 4 May 1993, p. 13; Jean Claude Pomonti, "La premiére grande attaque des Khmers Rouges a été un échec", *Le Monde*, 5 May 1993, p. 5; Jean-Claude Pomonti, "La survie du pays comme enjeu", *Le Monde*, 22 May 1993, p. 6; and "Les incidents se multiplient avant les élections", *Le Monde*, 18 May 1993, p. 4.

84. The extension of polling from three days — 23–25 May — to six days — 23–28 May — had been deemed necessary by UNTAC to carry out the voting in static polling stations (three days), to reorganize staff from static to mobile teams (one day) and to carry out voting in mobile stations (two days) (S/25719, p. 5).

85. For CPP complaints about the conduct of the elections and the results, see *BBC/FE/*1704/C/1-3, 2 June 1993; *BBC/FE/*1705/C1/1-2, 3 June 1993; *BBC/FE/*1706/C1/1-3, 4 June 1993; *BBC/FE/*1710/C1/1-4, 9 June 1993; *BBC/FE/*1712/C/1-3, 11 June 1993; *BBC/FE/*1713/C1/2-3, 12 June 1993; and *BBC/FE/*1715/C1/1-8, 15 June 1993. For UNTAC's rejection of the CPP's demand for new elections, see *BBC/FE/*1704/C1/3, 2 June 1993; and "L'ONU demande à 'toutes les parties' de 'respecter pleinement' le résultat des élections", *Le Monde*, 4 June 1993, p. 7. For the results of the elections and distribution of seats in the Constituent Assembly as well as political violence during the elections, see S/25913, 10 June 1993, pp. 2–5. This document is the report of the Secretary-General on the conduct and results of the elections. See also *Cambodian Election Results*, United Nations Department of Public Information, DPI/1389, June 1993.

86. On the abortive secession, see *BBC/FE/*1714/C1/1-2, 14 June 1993; *BBC/FE/*1716/B/3, 16 June 1993; *BBC/FE/*1717/B/8, 17 June 1993; *BBC/FE/*B/4, 18 June 1993; Nate Thayer, "State of Confusion", *FEER*, 24 June 1993, pp. 10–11; "Neighbourly Advice", *FEER*, 1 July 1993, p. 9; and Nate Thayer, "Blood and Irony. Royal feud further complicates peace process", *FEER*, 1 July 1993, p. 20. On the CPP's *de facto* and formal acceptance of the election results, see *BBC/FE/*1718/B/4, 18 June 1993; and *BBC/FE/*1722/A1/4, 12 June 1993. On the discussions on power-sharing, see BCC/FE/1716/B/2-3, 16 June 1993; BBC/FE/1717/B/3-6, 17 June 1993; BBC/FE/1718/B/1-4, 18 June 1993; BBC/FE/1720/B/3, 21 June 1993; Nick Cumming-Bruce, "Main parties in Cambodia reach deal on power-sharing", *Guardian*, 17 June 1993, p. 9; Nick Cumming-Bruce, "Coalition rule in Cambodia held up by cabinet posts wrangle", *Guardian*, 18 June 1993, p. 15; "Interim coalition to rule Cambodia", *Guardian*, 19 June 1993, p. 7; and "Cambodian rivals agree on power", *Guardian*, 25 June 1993, p. 14. On the power sharing agreement as such and the 1 July decisions, see S/26090, 16 July 1993, p. 2. On the merger of armies, see *BBC/FE/*1714/C1/2, 14 June 1993; *BBC/FE/*1714/C1/8, 15 June 1993; and *BBC/FE/* 1722/B/2-3, 23 June 1993.

87. On Thai economic interests in Cambodia, see Jean-Claude Pomonti, "La Thaïlande á la conquête de l'économie cambodgienne", *Le Monde*, 13 June 1992, p. 3; Nayan Chanda and Rodney Tasker, "The gem stampede. Round-the-clock mining by Thai companies", *FEER*, 30 July 1992, p. 20; and Rodney Tasker, "Fortunes at risk. Sanctions threaten Thai-Khmer Rouge trade", *FEER*, 12 November 1992, pp. 12–13.

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Democracy and Civil Society: Growth Model and Area Diversity

JOHN GIRLING

***Driven by Growth: Political Change in the Asia-Pacific Region*. Edited by James W. Morley.** New York: Columbia University, Studies of the East Asia Institute, with M.E. Sharpe, 1993. 346 pp.

***Southeast Asia in the New International Era*. By Clark D. Neher.** Boulder, Colorado: Westview, 1991. 240 pp.

Driven by Growth is a sophisticated version of Samuel Huntington's "Third Wave" approach to democracy as an end-product of economic development. (The "first wave" was the democratization of America and Western Europe in the nineteenth century; the "second wave" occurred with decolonization after World War II; and the "third wave" began in the mid-1970s in Southern Europe and Latin America and continued from the late 1980s in Eastern Europe).

As Huntington puts it (in a January 1993 lecture in Singapore), "economic development — industrialization, expansion of literacy and education, urbanization, increased wealth, decreasing inequalities in income and wealth, the emergence of a bourgeoisie and a middle class — has generally played a critical role, particularly in the first and third democratization waves"; in addition, "the spread of Western ideas of liberal democracy to other societies and the expansion of the power of the West have also been centrally important in the expansion of democracy to non-Western societies".

In contrast to the "unilinear", if cyclical, "third wave" thesis, I prefer what may be called "the four contradictions" complex. The latter accepts the premise of economic development as a precondition for democracy, but argues that "democracy" should not be taken for granted as an unexamined entity — simply as the end-product of growth — but has to be considered in terms of four interacting factors: civil society, money politics, military power, or business power (that is, two internally competing couplets, or three against one — that is, civil society). It is this threefold interaction that has shaped civil society in the first place and it continues to affect democracy, or progress towards democracy, as an emanation of civil society.

Democracy, as noted, is not a monolithic entity but a complex structure of ideas and institutions, conventions and practices. Democracy, therefore, is more than a matter of the "procedural definition" which, according to Huntington, "is now almost universally accepted by scholars working on this subject". Procedures without values are sterile: they lead to routinized, technical practices, which lose their inspirational qualities. But values without institutional procedures are futile: they remain ideals, unable to be realized.

Besides considering values as well as procedures, it is no less important to distinguish between what democracy "can do" and what it "cannot do". Failure to do so leads to an unrealistic — and even euphoric — conception of democracy with consequent disillusionment when the conception does not live up to expectations. What democracy can do, often superbly, is to provide a mechanism for peacefully resolving social conflicts. Democratic institutions, moreover, are incomparably more effective in safeguarding human rights and political freedoms than are other systems.

Conversely, what democracy cannot do is cope satisfactorily, either in theory or practice, with its rival in organizing society — the economic system. The limitations of democracy, in this respect, stem from the historical emergence of democracy as a political struggle against absolutism, at a time when (pre-capitalist) economic concerns were subsidiary. The situation is very different today. Democratically-elected governments are obliged on important issues to defer to business interests — often in contradiction to election pledges — simply to keep the system going.

Accordingly, both in its "assets" (its reconciling mechanism) and its "deficits" (accommodation to economic interests, nationally and globally) democracy cannot but reflect prevailing and often divergent forces in society. In the case of "democratizing" and authoritarian countries, especially, such forces take on the starker form of "the four contradictions": civil society, money politics, military power or business power.

Such an analysis is not absent in the two books reviewed, but in the conceptual introduction and concluding chapter of the volume edited by Morley it is relegated to the pre-democratic "stage" of development, implying that by the time democracy is achieved, social conflicts have "withered away" ("the end of history").

Both books, to be sure, deal with the political implications of sustained economic growth. But while Neher is more concerned with the diversity of countries in Southeast Asia, *Driven by Growth* suggests a common pattern of development, in East as well as Southeast Asia, which possesses the strengths as well as the weaknesses (as noted above) of "modernization theory". The volume assumes, in other words, a direct "correlation" between economic factors and political outcomes.

In their well-organized introductory chapter, Shinichi Ichimura and James Morley start well by listing eleven "explanations" for economic success in the region: a "virtuous circle of export-led growth" (with appropriate use of resources); supportive international environment (open markets, transfer of technology, fair competition, etc.); "multi-stage catch-up competition" of countries from a low level of development to a higher stage; high rate of capital accumulation and savings; efficient use of capital; technological innovation; improvement of human resources; sound fiscal and monetary policies; "tolerable income distribution" (by comparison, the income share of the richest 10 per cent in the Asia-Pacific economies is in the 30 per cent range, whereas it is 40–50 per cent in Latin America); finally, "reliable" institutions, such as strong and stable government, honest and efficient bureaucracy, entrepreneurial talent, "educated and disciplined labour force", cohesive social community, and a "social ethic placing high priority on growth". Only a paragon among states could be expected to qualify on all such counts. But, relatively speaking, these factors are more evident in the region than elsewhere in the Third World (and beyond).

The two authors (an economist and a political scientist) then consider the political outcomes of economic transformation. These vary from military authoritarian (Indonesia) to civilian authoritarian (Singapore: not quasi-democratic?) and from the "quasi-democratic" (Malaysia, Thailand, South Korea, Taiwan) to the democratic (Japan, the Philippines). The expected correlation — apart from the "exceptional" status of Singapore and the aberration of the Philippines — follows: "generally those Asia-Pacific countries with low levels of economic growth tend to have autocratic governments, and those with high levels of economic growth tend to have democratic" ones. This is no accident, say the authors. They propose a model to explain it (p. 31).

The model is presented in the concluding chapter by James Morley and Harold Crouch, appropriately entitled "The Dynamics of Political Change". They specifically associate high rates of economic growth with "stabilization" of democracy in Japan, democratic transformation in South Korea, trend to democratization in Taiwan, emergence of the quasi-democratic system in Thailand, and erosion of the Leninist regime in China. Nevertheless, they admit that the era of economic growth has also seen the strengthening of authoritarian governments in Indonesia and Singapore, and produced an "uncertain trend" towards stronger "authoritarian impulses" in Malaysia's quasi-democratic system (p. 277).

Why is this so? The model clearly suggests a "generally orderly" pattern of development — like "flying geese", claim the authors — with Japan in the lead (politically and economically), the new industrializing economies or NIEs (democratic or democratizing) coming next, quasi-democratic countries "still feeling the tug of authoritarianism" coming after, and less-developed, more authoritarian regimes at the end of the line — but with each regime experiencing pressures to push it up to the echelon ahead. Yet, it is only now that the correlation becomes clear, according to the authors. In former times — two or three decades ago — the instability often associated with low levels of development, as well as the "power of non-economic factors", may have "temporarily overshadowed" the growth pressures.

It is, above all, a dynamic process: economic growth drives social mobilization, which in turn drives political mobilization, and the latter then drives regime change (p. 279). This rather simplistic formula is complemented, fortunately, by a convincing explanation of the role of "civil society" in the evolutionary process. For it is precisely the "growing awareness of group identity and interests", their organization into politically active bodies — farmers into co-operatives, industrial workers into labour unions, lawyers, doctors and teachers into professional associations and, above all, the formation of political parties — that sees the intervention of civil society into an arena hitherto dominated by the state (and economy). Ultimately, the economy (and polity) becomes too large and complex to be controlled or managed from a single point or single bureaucracy. The state is obliged to move beyond suppression or co-optation (of elements of civil society) to experimentation both with economic liberalization (market reforms) and political liberalization, including participation of members of civil society in shaping public policy (pp. 279–82).

The logic of economic development is, therefore, the emergence of civil society and, with it, increasing pressures for a more open, democratic system. But whether or not such pressures prevail is the crucial question. Resistance by a "strong" state may not only delay but even subvert the "logical" process. Thus, the issue of strong or weak states features prominently in Neher's shrewd and concise guide, as well as in the country chapters of the Morley-edited volume.

It is evident that in any assessment of the Morley model "the power of non-economic factors" has to be taken into account. In particular, the triangular relationship between economic growth, state power and civil society requires closer scrutiny of the model's presumed end-product, democracy. Given the author's assumption that both Japan and the Philippines are democracies, the question naturally arises: What kind of democracy is it that can apply to two such different cases?

An appropriate response is to begin with the process of economic development and political pluralism that has "constituted" democracy. Now, this process does not thereby cease (having "finished" its task). The resulting "democracy" is still subject to economic, political and cultural forces, which may even, as in the case of the Philippines, negate the substance if not the form of democracy. Extreme social and economic inequality, the prevalence of patronage relations, and the entrenched power of élites (emphasized both by Neher and the Morley chapter on the Philippines) render problematic the one vote/one value notion of liberal democracy.

Given the importance of specificity (as above) as well as the evident need for a greater analytical understanding of democracy, it can reasonably be argued that the Morley model requires something more than country study illustrations of the common processes at work. (Admittedly, most of the authors take an "area" approach rather than one that rigidly applies the model). Accordingly, my own reading of the evidence will present a plurality of themes reflecting the diversity — rather than uniformity — of countries in the region. Drawing on the informative chapters by Neher and in the Morley volume (and other relevant studies) I suggest the following area-thematic questions:

- The Philippines: Why has the country lagged so badly in economic terms behind its ASEAN counterparts, and what are the political implications?
- Indonesia: Soeharto's "authoritarian-developmental" regime (unlike its South Korean counterpart) is still operative; but how long can authoritarianism endure in a context of rapid social and economic change?
- Malaysia: Will the regime continue, by balancing economic opportunity and communal restraint, to be "neither authoritarian nor democratic"?
- Thailand: which of the conflicting elements — civil society and money politics, military assertion and business power — will prevail, and when?
- Singapore: why is there no civil society, when its material preconditions exist?
- Vietnam (as with Indonesia): how long can the leadership prevent economic reform from spilling over into political reform?

Filipino Paradox. The Philippines in the 1960s, as Ruth McVey observes in her introduction to *Southeast Asian Capitalists* (Cornell University, Studies on Southeast Asia, 1992), was widely expected, because of its exposure to American capitalism and its relatively high level of skilled and educated people, to be the forerunner in regional economic development. Thirty years later, it is Thailand, whose "bureaucratic polity" was believed to be an insuperable obstacle to growth, which has instead seized that role. It is true that the deterioration of the Filipino economy became critical in the last years of the Marcos dictatorship; but the explanation for failure goes beyond the abuses, corruption and monopolistic practices ("crony capitalists") of the Marcos era. (See "The Philippines" by Jamie Mackie and Bernardo Villegas, *Driven by Growth*, pp. 104–8.)

The crucial shortage of foreign investment, for example, continues in the democratic period, as a direct result of perceived political instability, power failures, rampant corruption and lack of major economic reforms. Neher sums up the situation well (p. 76): "The problems that beset the Philippines today are the same as those of the past: economic inequality, land disputes [reflecting the failure of Aquino's land reform], monopolistic industries, corrupt leadership, and an elite class more concerned with self-interest than the public good".

Indonesian Duality: authoritarianism with development. Contrary to the "flying geese" model, Indonesia has actually been moving in a more authoritarian direction during a period of rapid economic growth, even though some of its neighbours have become more pluralistic and even democratic. (See "Indonesia" by Jamie Mackie, in *Driven by Growth*, p. 71.) A major factor, almost two decades ago, was the large increase in oil revenues, which markedly strengthened the power of the states: "The resources available to the government for the purposes of repression and co-optation were now vastly greater, while it was able to exercise much more control than previously over the allocation of licences, subsidized credit, and the opportunities for access to the most lucrative business opportunities generally" (p. 80).

As a result, on the one hand, key policy decisions were increasingly centralized. On the other, the relatively weak middle class and the private business sector either benefited from the regime's economic policies — and to a considerable extent depended upon such a "patrimonial" regime — or if discontented were in no position to challenge military domination.

Unlike the situation in South Korea, with its far higher level of economic development, and where huge conglomerates collaborated on an almost equal footing with the state, resulting eventually in the transformation from authoritarianism to pluralism, private business in Indonesia is still largely owned and controlled by the ethnic Chinese minority, which is vulnerable (unless protected by political and military patrons) to nationalistic attacks. Secondly, in contrast to the post-Park military regimes in South Korea, which were widely regarded as illegitimate, the Soeharto "New Order" has benefited from public acceptance of "stability" (after the turmoil of the Soekarno years); moreover, "strategic" sections of the population, who have experienced substantial material improvement, confer "performance legitimacy" (William Liddle's term) on the regime.

Yet, important changes have taken place in the 1980s. Among them are the growing assertiveness of certain business enterprises in relation to the state, the economic reform programme pushed through by the technocrats (with international backing), and the President's need to offset his diminished control over the military by reaching out to Muslim associations and other incipient members of civil society. These changes have given rise to the expectation (or hope) that economic liberalization will lead to political liberalization.

The main obstacle, as Mackie notes, is that there is still "little sense of common class interests or class solidarity" among the emerging bourgeoisie and middle class, "least of all in any organised form" (p. 91). Richard Robison, writing on Indonesia, in *Southeast Asia in the 1990s*, co-edited with Kevin Hewison and Garry Rodan (Sydney: Allen & Unwin, 1993), is even more sceptical of the likelihood of bourgeois democracy in the foreseeable future. The majority of the middle class, he insists, far from being "inherently liberal and reformist", is depoliticized and materialist. Bourgeois institutions are weak and subordinate to state control. Above all, the Chinese conglomerates are "so vulnerable to social resentment that political stability takes clear precedence over any preference for state accountability or the establishment of liberal or democratic reform" (pp. 58–63). And even though senior army officers have endorsed "openness", they do so with the proviso that it does not interfere with economic development, bring about a fundamental change of values, or disturb national discipline and order (p. 53). Enough said.

Malaysian Ambivalence: neither authoritarian nor democratic. The regime, as Harold Crouch explains (in "Malaysia" in *Southeast Asia in the 1990s*), combines elements of both. For socio-economic change is ambivalent in its impact, "generating pressures that in some respects push the regime in an authoritarian direction while other pressures facilitate democratisation" (p. 135). For example, competitive elections continue to be held, in contrast to some neighbouring countries, in a communally-divided society. "In each election, the government was returned to power with substantial majorities through a combination of genuine popularity, manipulation of the electoral system and authoritarian controls". Nevertheless, Crouch argues, the interest of significant class, communal and political forces has been better served by the preservation of the existing system than would be the case under a fully authoritarian regime. Even if it wanted to, he adds, it would not be easy for the government to abandon established semi-democratic institutions (p. 139). In confirmation of the thesis, see the thoughtful chapter on Malaysia by Zakaria Haji Ahmad, in *Driven by Growth*, emphasizing both the severe curbs on political rights, popular participation and civil liberties (pp. 144, 155) and the communal gains from economic growth, including the rise of middle-class Malays (pp. 154–59).

Thailand: Contending Trends. Consistently high rates of economic growth in Thailand since the 1960s have created in its wake an increasingly influential civil society (political discussion in Thailand — and the Philippines — is the most free in Southeast Asia). Nevertheless, the way to democratization is strewn with obstacles: the still untamed power of the military, despite the bloody events of May 1992, deriving from the decades-long heritage of the "bureaucratic polity"; the pervasive role of "money politics", corrupting the political process, and the short-sightedness (as well as venality) of many politicians; the uneven growth of the economy, concentrated largely in the Bangkok region, leaving substantial pockets of poverty in rural areas; the undoubted gains from ever-closer integration in the world economy, but by the same token increased vulnerability to external "shocks" (notably the impact of recession and protectionist policies in developed countries).

Chai-Anan Samudavanija and Sukhumbhand Paribatra ("Thailand: Liberalization Without Democracy" in the Morley volume) discuss these issues from the advantageous standpoint of important participatory experience as well as the analytical insights that they share with Clark Neher, a long-time student of Thailand.

The Thai authors concentrate on military–civilian relations (politics) and government–private relations in the economy. "The continuing imbalance of power between the military and the political parties", they argue (p. 134), "means that liberalizing tendencies have developed but have not led to the creation of a Western-style liberal democracy". This is because the "output structures" — the state apparatus, comprising the military and civilian bureaucracies — are excessively developed in relation to input institutions, such as interest and pressure groups, parties and parliaments. (It is a moot point whether the setback to military ambitions following the May 1992 demonstrations, leading to the revival of parliamentary government — and coalition instability — represents a lasting trend).

Neher's analysis follows logically from the above, focusing as it does on theories of weak and strong states (especially pp. 44–48). The case for a strong Thai state, he claims, is that despite greater pluralism in Thai society the state has "successfully coopted non-bureaucratic but nevertheless elite groups" and has managed political-economic affairs effectively and "in the best interests of potential countervailing groups, such as business elites" (p. 42).

Neher then argues, more dubiously to my mind, that "the Thai state's progress toward democratization demonstrates strength" — despite its evident reluctance to accept such an outcome? — because citizens comply with state demands, participate in "state-run institutions" (unspecified), and legitimate state authority (p. 43): three highly debatable claims! (Admittedly, Neher's book, which includes the 1991 military coup, was published before the citizens had time to reject the appointment of the army commander as unelected prime minister a year later. On the countervailing elements of civil society — environmentalists, labour unionists, Buddhists and intellectuals — see also Kevin Hewison, writing on Thailand in *Southeast Asia in the 1990s*, pp. 171–81).

Exceptional Singapore: Where has civil society gone? Economic development has proceeded apace; the social welfare network is the most extensive in the region (and beyond); the middle class standard of living and values are paramount. And yet, with such preconditions so well established, civil society can at best be seen but not heard. This "exceptional" situation — so different from that of its fellow NIC, South Korea (see the interesting account by Sung-joo Han and Yung Chul Park in the Morley volume) — reflects the highly specific circumstances of an island city state, which are well brought out in Chan Heng Chee's chapter in *Driven by Growth* (and in Neher's briefer work).

In the early years before and after independence, Singapore's leaders were faced with two crucial tasks: to promote economic growth (overcoming what seemed like utterly depressing prospects); and the struggle for power within the People's Action Party, in the labour movement, and in the electorate, between Lee Kuan Yew and his followers and a powerful pro-communist movement. Both tasks were achieved — but at the cost of strengthening party power (with authoritarian tendencies), and reinforcing the "mandarin qualities" of the civil service. Chan Heng Chee sums up the situation (p. 232): "the intellectual credo of the regime explicitly rested upon a philosophy of self-reliance and self-help, a throwback to the rugged individualism of the American brand of capitalism. Nevertheless, [the Party]. . . pointed to its record of social policies, activist intervention in the economy, and the regulation of the private sector as touchstones of a socialist order".

As a result, "political society" — in the form of the dominant one party — has taken the place of civil society (typically, professionals, organizers and intellectuals, independent of the state and economy). In Neher's apt formulation (p. 129): "the state has coopted the bureaucracy, the military, and interest groups, while the hegemonic PAP — itself a creature of Lee Kuan Yew — has coopted the state". Indeed, as rephrased by Chan, the political model is "one that presumes the necessity of a hegemonic party system and a limited but tame opposition as a requisite for stable government in an island city-state situation" (p. 240). (Garry Rodan's more critical assessment, in *Southeast Asia in the 1990s* [pp. 80–83, 93] concurs in this respect).

Singaporeans may be receptive to this model for some time to come, Chan suggests (p. 241), partly because the state's small size lends itself to effective control. More important, though, is the "strong legitimacy that the PAP still retains". Yet she adds the prudent reservation that an "unusually open economy and society" would find it difficult to shut itself out from democratic developments elsewhere.

Transitional Vietnam: opening economy, closed politics. The Communist Party of Vietnam's "renovation" policy, adopted in late 1986, was in response to economic crisis. For Vietnam, as Neher points out, is one of the ten poorest states in the world. Inflation and unemployment are still unacceptably high. Vietnam's banking system is inadequate. "Infrastructural necessities such as ports, roads and electricity are primitive, and housing is abysmal". In addition to the enormous destruction of the war years, there was the "disastrous" attempt to impose nationalization of enterprises and agricultural collectivization in the South (pp. 168–69).

The renovation programme calls for major economic and political changes, with the proviso that the party's monopoly of power remain unchallenged . Such a "transition" from state control to a market economy, with efforts to attract foreign aid, investment and trade — while holding the line on political change — is carefully analysed in Melanie Beresford's contribution to *Southeast Asia in the 1990s*. (Unfortunately, there is no corresponding discussion of Vietnam in the Morley volume. Instead, the chapter on China by Thomas P. Bernstein perceptively presents Deng's market-oriented reaction to aberrant Maoist policies, which had no equivalent in Vietnam; parallels between the two countries can, however, be drawn in terms of the vicissitudes of "political reform").

In this context, Beresford's "Vietnam" raises two very interesting possibilities (pp. 216–17, 229–34). First, liberal economic reforms have created new social conditions, notably the emergence of new classes, interest groups and coalitions, and such changes are linked to "shifts in the locus of political power" especially through the erosion of traditional vertical party controls. The second possibility follows: if economic liberalization succeeds in breaking the party's "politics-production nexus", with its "built-in incentives to arbitrary use of power", not only will the resulting diversity of economic and political interests put pressure on the existing one-party system, but it may also lead to the abandonment of the "mixed economy" in favour of a "full-fledged capitalist system". Such a transformation would indeed realize the vision of former Thai Prime Minister Chatichai that "the market place replaces the battlefield", in an integrated Southeast Asia.

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BOOK REVIEWS

***Human Rights in Cross-Cultural Perspectives: A Quest for Consensus.* Edited by Abdullahi Ahmed An-Naim.** Philadelphia: University of Pennsylvania Press, 1992. 479 pp.

The term "human rights" is doubtless among the most recurrent in the daily staple of news in both print and electronic media. This year's World Conference of Human Rights in Vienna has, if nothing else, enhanced that profile — with a further boost from the Clinton Administration's early rhetoric on linking U.S. foreign policy and human rights conduct, as in trade relations with China. But familiarity can breed contempt and, in this instance, it is coupled with a heavy measure of confusion.

With the demise of the Cold War and its dreary ideological polemic, a new East–West (or North–South) battle has emerged over the putative universality of human rights norms. East Asia, home not only to more than a third of the world's population but also to a diversity of ancient traditions, has been adamant that while certain norms necessarily transcend all frontiers and merit global protection, others are subject to the vicissitudes of culture and socio-economic circumstance. Across the Muslim world, there is considerable apprehension about a secular West determined to promote a liberal order inimical to societal entitlements against the materialist demands of the individual. These concerns are often echoed among indigenous peoples in the West itself, with their communitarian rather than individualist orientation, even as they invoke the "global" rights regime against assorted depredations. A fresh discourse on the scope of human rights is both inevitable and urgent; given the stakes, it is also important that the debate be substantive.

This volume of fifteen essays aims to explore the avenues for expanding the "cultural legitimacy" of international rights norms through internal and cross-cultural dialogue. The contributors are mindful of the discrepancy between precept and practice more than four decades after the adoption of the Universal Declaration of Human Rights by the nascent United Nations. They are also cognizant of the twin pitfalls of expediency — by many who shelter behind relativism to justify repression — and arrogance — on the part of those who see their own values as *ipso facto* universal.

In an elegant piece on China, William Alford recalls the admonition about "viewing flowers on horseback" (*zuo ma kan hua*) before offering a potted survey of the interplay between traditional (chiefly Confucian) and gobal views of the relationship between society and the individual. Alford appears fairly sanguine about an eventual accommodation, and his call for greater realism on the part of the outside world towards China is less about cultural than socio-economic barriers to change. Even when it comes to the old collective–individual dichotomy in the interpretation of rights — as in his example of the mandatory one-child policy and its implications for society and the individual — the ethical challenge is clearly shared far beyond Chinese culture.

This is not to deny the centrality of that perceptual dichotomy in any cross-cultural discussion about human rights, and the need for the global regime to recognize and come to terms with it. That is certainly a cardinal message of this volume, with the exception of a thoroughly unconvincing paper by Rhoda Howard claiming that individual and communitarian rights are incompatible because the latter "can become exclusivist" (as if individual rights cannot, precisely by ignoring group claims). It is the experience of indigenous communities that highlights this issue, as shown in the essays on the Sami of Norway (Tom G. Svensson), the Brazilian Indians (Manuela Carneio da Cunha), aboriginal Canadians (Allan McChesney), American Indians (James W. Zion) and Australian aborigines (Patricia Hyndman). Indeed, as McChesney points out, Canada's aboriginal peoples have already reshaped the country's civil libertarian landscape in the light of their collectivist traditions — to the benefit, arguably, of non-aboriginal Canadians as well.

One attempt at synthesis is by way of a "personalist" perspective, which shifts the focus from the individual *vis-à-vis* society to the *person* as part of an increasingly pluralist *community*. Despite its heavy theoretical baggage, Virginia Leary's paper on the subject makes for rewarding reading, not least on account of some intriguing quotes. Jacques Maritain, one of this century's leading humanists and a spiritual father of the Universal Declaration itself, is cited in terms that challenge the assertion about the Declaration being a one-dimensional individualist document:

> [T]he development of the human person normally requires a plurality of autonomous communities which have their own rights, liberties and authority; among these communities there are some of a rank inferior to the political state, which arise either from the fundamental exigencies of nature (as in the case of the family community) or else from the will of persons freely coming together to form diverse groups. Other communities are of a rank superior to the State, as. . . in the temporal realm, that organized community towards which we aspire today.[1]

Indeed, Leary remarks on Maritain's acute appreciation of the need to respect the diverse cultural roots of those affirming "universal" rights or "democracy", while seeking consensus on a catalogue of norms for all human beings. Hence, his observation back in 1944:

> . . .the choice of words in the practical domain is determined not by the philosophers, but the usage of men and by the common consciousness. And what matters above all is rediscovering the genuine meaning and value of words charged with great human hopes, and the tone given to their utterance by a conviction based on truth.[2]

A pragmatic, open-ended approach is also embraced in the volume's final rambling essay by Tore Lindholm, who argues that the Universal Declaration's "justificatory principle" is not based on any theological, naturalist or anthropological view of man associated with the West. Rather, it is a "proposal for an overlapping moral and political consensus", to which "Christians, Muslims, atheists, Buddhists, Marxists, liberals, and so on, may from their own normative heartland come up with full-fledged justificatory doctrines of globally binding human rights". For Lindholm, these doctrines need not be mutually compatible — as long as they accord priority to the "principle of inherent freedom and equal dignity for every human being".

There can be no assurance, as the editor readily concedes, that the internal and cross-cultural dialogue advocated here would produce the kind of "overlapping consensus" needed to improve the practical protection of human rights, collective and individual. But dialogue clearly remains the optimal strategy, and it must be nurtured in a variety of contexts. An obvious avenue is ecumenical or inter-religious dialogue, a theme that receives surprisingly limited attention in the book. There is greater attention here to what remains of Marxist theory than to the role — actual and potential — of religious traditions, contrary to the direction of salient post-Cold War currents of thought.

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[1] Jacques Maritain, *The Rights of Man and Natural Law* (London: Geoffrey Bles, 1958), p. 14; first published in 1944.

[2] Ibid., p. 31.

This shortcoming is all the more unexpected in view of Abdullahi An-Naim's own expertise on Islam and human rights,[3] a subject that is addressed briefly in his introduction, and is broached by Richard Falk's subsequent paper on the quest for agreement on what is, or should be, "intolerable" to all traditions. Perhaps that is where Asian contributions are most needed for cross-cultural understanding: dignity and social justice, after all, lie at the heart of living traditions from Japan and Thailand to Singapore and Indonesia. Their voices ought to be heard within the mainstream literature,[4] no less than in the hallowed chambers of United Nations committees in Geneva and New York.

We are, at best, only at the end of the beginning in the long quest for consensus and legitimacy on behalf of global human rights. This volume is an important contribution to the long process that lies ahead, and most of it deserves a wide readership.

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[3] He has authored, *inter alia*, "Human Rights in the Muslim World: Socio-Political Conditions and Scriptural Imperatives", *Harvard Human Rights Journal* 3 (Spring 1990): 13–52; and *Toward an Islamic Reformation: Civil Liberties, Human Rights and International Law* (1990).

[4] A rare example is Ta Van Tai, *The Vietnamese Tradition of Human Rights* (Berkeley, California: Institute of East Asian Studies, 1988).

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***Peace Accords and Ethnic Conflict*. Edited by K.M. de Silva and S.W.R.D. de A. Samarasinghe.** London: Pinter. 208 pp.

"The government is best which pays least attention to ethnicity."[1]

The resurgence of ethnic conflict in the latter half of this century presents numerous dilemmas to both theorists and policy-makers. On the one hand, as Anthony Smith perceptively comments, "there is widespread feeling, popular and academic, that state interests and the imperatives of the system of states, economic as well as political, furnish both the causes and the issues for most wars". On the other hand, such a perspective,

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[1] Pierre van den Berghe, *The Ethnic Phenomenon*, new ed. (New York: Praeger, 1987), pp. 353–54.

Smith argues, "grossly underestimates the potency of certain kinds of identity and community and systematically fails to address the roots of successive 'conflicts on the ground'". Given that ethnic conflicts often assume a "chronic and bitter character", such theoretical and policy concerns are pressing. Human beings are prepared to "sacrifice their lives and inflict violence on each other in strife that seems far from insignificant — or amenable to rational, peaceful solution".[2]

A second problem is the complexity of the puzzle. One only needs to consult a current "geopolitical map" to realize the potency of ethnic conflict. Of the 180 states in the international system only a small number are ethnically homogenous. According to some estimates, there are more than 5,000 ethnic minorities in the world (*United Nations University Report on Ethnicity and Development*, 1987). Recent assessments by the Minorities at Risk Project (Maryland) indicate that ethnic groups are currently involved in more than 80 protracted conflicts throughout the globe. Another 240 ethnic minorities are involved in low-intensity struggles for self-determination.

A third difficulty is the absence of effective conflict management and conflict resolution techniques in areas where the problem of collective identity is significant. This is particularly true where the groups involved are not states but communities which often lack the commitment to and experience of conflict management practices. Recent events in Yugoslavia underscore this point. When the integrity of the Yugoslav state was first challenged by popularly backed secessionist surges in Slovenia and Croatia, a signal was sent out to the international community that the status quo inherent in the Cold War balance of power would no longer be sufficient as a source for conflict management policy. Initially, Yugoslavia was a situation to which the European Community and other Western states did not respond well. Only when the central government in Belgrade delegitimated itself by military action did international actors begin to move painstakingly from the hope of a harmonized settlement to recognizing Slovenian and Croation claims to statehood. The former Yugoslavia now stands in international judiciary limbo, with external actors aligned behind the principle of self-determination for Yugoslavian minorities but unsure how this process of recognition might reflect on similar conflicts elsewhere and uncertain whether traditional methods of conflict management, including sanctions and the dispatch of peacekeeping forces, will be adequate and effective.

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[2] Anthony Smith, "Conflict and Collective Identity: Class, Ethnicity and Nation", in *International Conflict Resolution*, edited by Edward Azar and John Burton (Boulder, Co: Lynne Reinner, 1986), p. 51.

Readers with an interest in the management and resolution of ethnic strife may find answers to these and other puzzles in *Peace Accords and Ethnic Conflict*. This book is the most recent effort from the International Centre for Ethnic Studies (ICES, Sri Lanka). It is the ninth in a series of excellent edited volumes on issues related to ethnicity. This latest contribution consists of nine chapters, including a comprehensive introduction by the editors, K.M. de Silva and S.W.R.D. Samarasinghe. The concluding chapter, by co-authors John Richardson and Jianxin Wang, had the formidable task of tying the disparate case studies together, an assignment which has been carried out with great care and insight. Both policy-makers and students of ethnic relations will find much of interest in this last chapter. In all, seven studies of ethnic conflicts in five different states are presented. Each case focuses on the formal attempts at reconciliation between ethnic separatist movements and the state. South Asia receives the greatest attention with two studies on the Punjab conflict and the Accord of 1985 and two analyses of the Indo–Sri Lankan Accord of 1987. The remaining chapters, covering negotiations in Cyprus, Sudan and Canada, provide an effective regional distribution of failed attempts at ethnic conflict management. Most of the chapters are accompanied by detailed appendices on the agreements.

As the editors point out, the inclusion of Canada's miscarried Meech Lake Accord makes for an interesting contrast to the other cases. It is the only conflict of the five in which international involvement and violence have been insignificant. Dale Thompson's analysis of French–English and immigrant–aboriginal peace accords precedes the collapse, in 1992, of a second comprehensive agreement. This latest attempt at national reconciliation involved negotiations between the federal government and the ten provinces. Among other things, the "Charlottetown Accord" was to grant Canada's aboriginal peoples greater autonomy, and for this it won the support of native Canadians. However, the agreement failed to convince a majority of Canadians, especially in Quebec and the Western provinces where it was soundly defeated. In view of these latest events, Thompson's concluding remarks about the problems associated with comprehensive solutions are particularly apt. Canada's experience at piecemeal solutions for ethnic conflict reduction has been far more successful. Until recently, the evolution of Canada's policies on bilingualism and multiculturalism was a model for other multi-ethnic countries to follow.

Thompson's analysis of peaceful ethnic conflict management in Canada is a reminder that conflict is not a synonym for warfare or aggression. There is an important distinction to be made between conflict and aggression. The term "conflict" properly refers to a situation of discord between two or more parties which can sometimes be resolved peacefully or which may, in some circumstances, lead to aggression. "Conflict" means a perceived divergence of interest or a belief that the parties' current aspirations cannot be achieved simultaneously. As the Canadian case demonstrates, conflict can also have a positive impact by stimulating social change and by facilitating the reconciliation of people's legitimate interests. Most conflicts do not end with one party winning and the other losing; rather, there is a synthesis of the two parties' positions involving some integrative agreement. By virtue of these two functions, conflict can foster group and national unity.

Reed Coughlan's examination of ethnic stalemate in Cyprus demonstrates that conflict can also nourish national disunity and distrust. Coughlan's analysis covers the period 1989–92 and focuses on the perceptions of the leaders of the Greek and Turkish Cypriot communities as well as other participants in the negotiation process. The study is to be commended for its extensive use of interviews with key decision-makers. These interviews provide an insight into the world-views of the two opposing sides, their negotiating strategies and possible scenarios for peaceful resolution of conflict in the post-Cold War era. Coughlan is not optimistic about a successful negotiated settlement. He argues that in the absence of external intervention, the prospects for peace in the Cyprus conflict are remote. The interesting aspect of Coughlan's analysis of élite decision-making is that it accounts for the powerful relationship between individual and group behaviour. The Cyprus conflict is not to be seen as an aberration of state and nation-building but a problem in the construction of the whole of Cypriot's social and political world. The transition from individual perception to group conflict comes about when individuals control information to others. As more people come to share the same world-view, inter-group conflict ensues. The Cyprus case indicates a steady progression in the entrenchment of world-views that will be difficult to alter even in these days of international confidence.

Francis Deng's piece on the Sudanese conflict and K.K. Panda's and Sucha Singh Gill's studies of the Punjab embroglio are written in a similar theoretical vein. The central issues raised by these analyses is the extent to which the state is willing to concede formal group rights on a territorial or non-territorial basis. In the cases of Sudan and India, the answer is not very much. These analyses contribute to an understanding of the effects of withholding group rights. At worst, the withholding of group rights may serve to accentuate a minority identity and to make an ethnic problem more intractable. In the context of an ethnic minority that is small in size but geographically concentrated, as in the case of the Sikhs, these characteristics may predispose the state, should it so wish, to engage in the most coercive of policies. By contrast, if the minority is large in size and is territorially concentrated as in the case of Sudan, it not only constitutes a greater threat but also possesses superior resources for its own defence; while the state may thus be ill-disposed towards it, its capacity for naked coercion is reduced.

The two remaining inquiries include the most comprehensive examinations of the Sino–Sri Lankan Accord to date. The first of the two is written by K.M. de Silva and focuses primarily on the events leading up to and following the imposition of the Accord by India on Sri Lanka in July 1987. The second of the two analyses, by co-authors S.W.R.D. Samarasinghe and Kamala Liyange, attempts to determine why the Accord failed. Samarasinghe and Liyange argue that although the Accord did not measure up to expectations, it did contribute to the long-term settlement process of the conflict. In sum, the two studies of the Sri Lankan conflict serve as a warning to the world. Identity politics can be extremely divisive. The assassination of President Premadasa is only the latest in a long line of political killings that have ripped the country apart. The failure of the Indo–Sri Lankan Accord is notable for another reason. Both studies suggest that the potential for transforming existing state structures without the presence of a third party is minimal. In this sense, third party involvement has the potential to do two things. As the Sri Lanka case exemplifies, external involvement can reduce levels of conflict between secessionist groups and the state-centre when there is support for the state-centre. If, on the other hand, one side supports secessionist independence through military intervention, which has the potential of defeating the state-centre, then the possibility of higher levels of conflict diffusion is greatly increased. The latter example is a more accurate description of the Yugoslavian case and other post-Cold War scenarios because of the potential for involvement by external actors, including Islamic states concerned about the welfare of Muslim minorities in Bosnia, and the EC states concerned about the demonstration effects of conflict for ethnic strife elsewhere.

In general, all the case studies and theoretical chapters in this volume contribute to our understanding of ethnic conflict management. However, some puzzles remain unsolved. A central concern is that the volume focuses only on formal conflict management processes of those states experiencing secessionist-based turmoil, rather than dealing with the universe of ethnic conflicts (including irredenta and low-intensity ethnic strife). To carry out this task would require co-ordination between investigative bodies such as ICES and the Minorities at Risk Project, but the benefits would be immeasurable. Such integration may lead the way to theories and policies of preventative peacekeeping. It would have also been useful to focus on regions where multi-ethnic states may provide lessons for those states that are not coping well. An equally important but under-emphasized set of factors in the study of peace accords relate to prevailing international norms towards seceding minorities and its impact on conflict diffusion. The kinds of conflict management presented in these cases are based on the assumption that compliance and co-operation between states unfold in response to the application of law and the exercise of force that fluctuates under changing circumstances, namely, norms, practices, habits and other components of statism. More specifically, states or other entities in the system at large can respond to ethnic strife in one of three ways: by (1) diffusion and encouragement; (2) reconciliation; or (3) isolation and suppression. Since 1945, secessionism has not been viewed favourably by most states within the system, U.N. declarations of self-determination notwithstanding. Domestic conflicts involving secessionism have largely produced restraint by intervening states and attempts at reconciliation or suppression by the international community. During the Cold War, even when an internal conflict involved a diversification of issues and protagonists there was the potential that a radical solution entailing complete separation of a state would be counterbalanced by more moderate power-sharing solutions and conflict management by one or both of the superpowers. Events of the past three years suggest that prevailing norms are undergoing a significant transformation. This transformation is notable for three reasons: (a) change in the means of involvement, as evidenced in the use of force by the international community (that is, the United Nations) with the aim of resolving ethnic strife within and between states (for example, Yugoslavia); (b) change in the objectives of involvement, as evidenced in increasing intervention in conflicts within states in order to end civil strife (for example, Somalia); and (c) change in the justification for involvement, including the violability of state boundaries and notions of de-legitimated sovereignty (for example, Cambodia). Given that all of the conflicts presented in this volume have yet to be successfully resolved, it will be interesting to see what impact the evolving international system will have on each.

In conclusion, the approaches in this volume assume that resolution of ethnic conflicts can be achieved once underlying causal mechanisms are identified, namely, problems associated with values and identity. In this sense, the theories in this volume are relatively optimistic about the possibility of resolving discord where ethnicity is salient but the prescriptions offered remain to be realized.

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***Vietnam Data Bank: 1976–1991*. Edited by Adam McCarty, Merlyne Paunlagui, and Vu Quoc Huy.** Canberra: Australian National University, National Centre for Development Studies and Research School of Pacific Studies. 127 pp.

Periodically, economists rediscover the importance of information and knowledge. This topic has been widely debated within and among a broad spectrum of economic paradigms: the Chicago School, evolutionary-behavioural economics, market socialism, Austrian liberalism, among others. Competing schools of thought, nevertheless, recognize the essential role of information and knowledge to the smooth functioning of any economic system. For example, in the famous debates on socialism in the 1930s between the intellectual forefather of market socialism, Oscar Lange, and Austrian liberals such as Ludwig von Mises and Friedrich von Hayek, the resolution of the "problem of information" was a key issue. How information is obtained, processed and utilized — and above all, in the "socialist debate", whether they are accomplished through market mechanisms or in a centralized mode by bureaucratic instruments — affects micro-economic efficiency and effectiveness and macro-economic rationality. The general, theoretical "problem of information" is, thus, a question of efficiently and effectively using information possessed by diverse and dispersed members of society. Akin to this question is a more technical and prosaic issue of collection and systematization of information, knowledge and data.

Both aspects have proven to be significant problems for Vietnam, a low-income economy, which is in transition from central management to a market-oriented system. Symptoms of the information problem at the enterprise level abound in Vietnam. For instance, there still persists a de-linking of information and incentives in the management of state-owned enterprises; and private sector behaviour is affected by weak market signals, often a consequence of imperfect information. But on a more basic level, the Vietnamese economy faces two elementary, but critical information-statistical data problems: data are of very poor quality; and they are frequently inappropriate for quantitative and qualitative analytical methodology used in much of the international economy in the past 30–40 years. Without solid and usable information and data, it is difficult for either the market or the bureaucracy to make the necessary calculations for rational decisions in both the micro- and macro-economic spheres. Moreover, for researchers, the lacuna of reliable and usable data makes theoretical or applied analysis of Vietnam's economy exceedingly difficult.

Researchers at the Australian National University National Centre for Development Studies have confronted one small part of the problem — that is, a scarcity of Vietnamese statistical data — by publishing *Vietnam Data Bank: 1976–1991* in hard copy and on disk, using Excel 3.0 software. The publication's data, consisting of 60 tables of official statistical series, are categorized under eleven subject headings: general indicator; government finance and financial sector; industry; agriculture; construction; transport; trade; price; population; labour and employment; education. Wherever possible, the editors have collected data for the period 1976–91, but many series cover fewer years. In brief, *Vietnam Data Bank* addresses the need for an inexpensive and publicly available electronic database of basic Vietnamese economic indicators.

Obviously, no one publication can resolve the underlying problems of Vietnamese data: namely, poor data collection and an often non-comparable (and even unexplained) methodology used to derive these data. Nor does *Vietnam Data Bank* pretend to tackle the fundamental weaknesses of Vietnamese statistical sources and methodology. Indeed, the data of this publication originate from often used and basic sources: the official General Statistical Office, which publishes *So Lieu Thong Ke* (Statistical Data) and *Nien Giam Thong Ke* (Statistical Yearbook); and articles from newspapers and journals, notably, the *Far Eastern Economic Review*. Both sources are less than reliable: the first, because of methodological differences, reporting biases, and data collection and collation errors; the latter, because of the inherent problems of secondary sources. Another apparent shortcoming of *Vietnam Data Bank* is the lack of updating of the times series. Consequently, data in the eleven categories covered by this database now exist for 1991 and 1992, but they are not available on an updated disk (or hard-copy version).

Given these disadvantages, perhaps the most important contribution of this work is, firstly, its discussion of issues related to data collection and systematization in Vietnam and, secondly, its compilation of material that will make the Vietnamese economy more accessable to non-specialists. In particular, the three editors have written brief, but instructive essays on several problems presented by Vietnamese statistics, and they have provided supplementary information that can make Vietnamese economic research more manageable.

In a short introductory essay, Adam McCarty addresses specific difficulties in obtaining and using statistical data to analyse the Vietnamese economy, focusing on the issues of quantity and quality of Vietnamese data. Comparing the dearth of available Vietnamese data in the pre-1989 period with the following period when reforms permitted greater distribution of information, he states that "[T]he last two years have witnessed a relative boom in the publication of official statistics in Vietnam" (p. 2).

On the issue of quality, McCarty concludes that "official Vietnamese data to 1991 can only be used in an indicative manner, that is, as little more than signs of *possible or probable changes* in the economy" (p. 5).

Merlyne Paunlagui contributes a second essay, "Material product system" (MPS), which will be informative to research analysts unfamiliar with methodology used by the now-dissolved Council for Mutual Economic Assistance (CMEA). Contrasting the MPS with the United Nations' system of national accounts (SNA), Paunlagui discusses the most important ways in which "the socialist concepts underlying national income accounting, both with regard to scope and valuation, are fundamentally different from those employed in a market economy" (p. 6). She examines four components of the MPS essential to understanding the system: the classification of economic activity into material and non-material spheres; the classification of the production of national income; the classification of the distribution of national income; and comparisons between the MPS and the SNA. Basing her essay on both international and Vietnamese sources, Paunlagui presents a very readable overview of the MPS, which until recently Vietnam has followed.

In a third article, Vu Quoc Huy examines "Specific problems of the Vietnamese statistical sources". Here, he argues that although data collection in Vietnam has improved over the past few years, the quality of statistics remains poor and inadequate. This warning is well illustrated in a table comparing sources of three economic indicators of Vietnam — GDP growth rate estimates, GDP deflators, and exports. In certain years and in certain categories, the data vary significantly. For example, Vietnam's General Statistical Office estimates growth of GDP in 1986 at 6.5 per cent, while the World Bank estimate is a little more than half of that — 3.4 per cent. Vu Quoc Huy concludes by asking — and attempting to answer — a question every analyst of the Vietnamese economy must have posed at one time or another:

> How can a researcher decide whom to believe or what data to use? Obviously, this is not an easy task, hence it is suggested that the researcher should have his or her own additional information flows. And here every method, survey or interview, expertise or intuition is worthwhile (p. 20).

In addition to the introductory essays, the editors have compiled a glossary of socialist economic terms, which researchers unacquainted with the intricacies of centrally-planned economies will appreciate. Also included in this collection is a selected bibliography on Vietnam, which unfortunately is out-of-date and omits some important works on the Vietnamese economy.

Since publication of *Vietnam Data Bank*, the initial results of a four-year Vietnamese project adapting and applying the system of national accounts to Vietnam have been released.* While the adaptation and application of the system have not yet been completed — and therefore, essentially a hybrid system now exists — data are being collected, collated and categorized differently compared to the system under the MPS and in closer conformity to the SNA. The modification of Vietnam's official statistical system means that for the time being, data continue to be confusing and often unusable. Moreover, in the future, times series data will not be comparable before and after 1991–92 without converting them to one system or another. However, the ongoing shift to the SNA and the greater attention given to statistics in general may bode well for the establishment of better methods of collection, collation and systematization of Vietnamese data.

The editors of *Vietnam Data Bank: 1976–1991* have made an important initial attempt to "fill-in the gap" of publicly available Vietnamese economic data. This endeavour, however, does not approach the larger problems presented by Vietnam's statistical system. Because of the many constraints already mentioned, however, the task of upgrading data in Vietnam is an extensive, long-term, and often "trial and error" process. Undoubtedly, major efforts of statisticians, researchers and analysts in Vietnam and elsewhere are required to improve the overall quality of Vietnamese data and statistical methodology. Such changes will address one technical facet of the "problem of information", thereby facilitating complex analysis of, and decision-making in, an economy undergoing rapid transformation.

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* For an introduction to the new system, see Dr. Le Van Toan, ed., *Vietnam Economy 1986–1991. Based on the System of National Accounts* (Hanoi: Statistical Publishing House, 1992).

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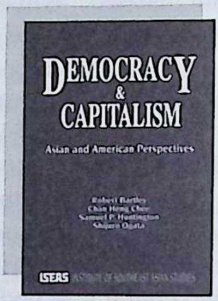

DEMOCRACY AND CAPITALISM: Asian and American Perspectives
By Robert Bartley, Chan Heng Chee, Samuel P. Huntington, and Shijuro Ogata

Intellectual interest in the growth and study of democracy is not a post-Cold War phenomenon, but its intensified interest is. Recently new questions have been asked, such as whether the widespread democratization process will yield similar end-products in different parts of the world which are endowed with vastly different heritages and history, or whether we will see the emergence of variants in democratic models.

In the same way, the growth of the capitalist system and practice of a free market in each country and region may be shaped by individual and special pressures and forces which in some situations lead the state to play a role not anticipated in the traditional free market model. The differences in the capitalist, free market model of East Asian countries have been observed to be distinct from those in the industrialized West, and most certainly different from that of the United States.

It has been the growing concern of many academics and policy-makers that in the post-Cold War era these differing perspectives and practices of democracy and the free market could become the substance of the new ideological debate in the coming decade between countries in East Asia and the West, led by the United States.

The four essays published in this volume were presented as keynote papers defining the major themes of the Conference "Asian and American Perspectives on Capitalism and Democracy" organized by the Asia Society, the Institute of Policy Studies, the Singapore International Foundation, and the Institute of Southeast Asian Studies held in Singapore, 28-30 January 1993. The essays serve as useful contributions to the current rigorous and ongoing debate.

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Pacific Century: Myth or Reality?

MORTON ABRAMOWITZ

The notion that the twenty-first century will be the century of the Pacific has been around for some time now. It is a notion which is both myth and reality at one and the same time. This article looks at both the myth and the reality of the issue. It examines the extent to which today's vibrant Asian economies sufficiently equip the countries of the Asia-Pacific for a leadership role, in more than just economic terms, in the century to come. It contends that the next century cannot simply be Asian.

Will the next century be the century of the Pacific? This is a question that has come in for intense debate recently. To be sure, the Pacific is today's hot growth stock. And because a century is a rather long period, one has, in speculating on the future, a licence to be grandiose and wrong! In practice, going beyond five years can put one in deep trouble except, of course, for think tanks.

Nobody could ever have predicted that so many countries of East Asia would go from being dominoes to dynamos in less than thirty years! And nobody did. Now everyone seems to believe that the dynamos of today will become the super dynamos of tomorrow.

One confesses to having some trouble getting one's hands — and mind — around a Pacific Century. It is a myth and a reality but also a strawman. The century sweepstakes falsely presumes that the next one will be dominated by a particular region or power, as the second half of this century was. But, in fact, power is diffusing more quickly than ever before because of rapid growth and the globalization of economic activity. The swift movement across borders of capital, technology, information and management skills will make it difficult for any single economy to outpace and lead the others. It is also diminishing the effectiveness of governments and their ability to control events. Growth rates will converge.

Translating military power into influence is becoming increasingly difficult, and defining national interests beyond one's own borders will be more elusive. International relationships will be too ramified and issues too cross-cutting for any one power or region to predominate across the broad sweep of world affairs.

The real question is not whether the big powers like Japan or China will grab the century trophy, but whether and how they and other Asia-Pacific countries, individually or collectively, will contribute a significant measure of leadership in a vastly different era of international relations. This subject — Asia's capacity for leadership — is what will be examined in this article.

The following assertions will probably be proved correct about a Pacific Century:

1. it cannot simply be Asian;
2. before any new era arrives, difficult political transitions in East Asia must be worked through;
3. the region must come to terms with a more assertive Japan and an emergent China;
4. influence must be rooted in more than economic growth; and
5. it will not happen without extensive involvement by the United States.

Before delving into each of these assertions, it might be useful to touch briefly on the significance of "economics" since it bears directly on Asia's capacity for wider leadership.

No one doubts East Asia's economic dynamism; everyone is rushing to share in it. The mood is upbeat, the countries outwardly oriented, the focus overwhelmingly on business, and the leadership impressive. The market has largely won, and the elements for sustained growth are in place — as long as the United States continues to reinforce world stability, and bilateral competitiveness takes place within an open and expansive international trading system. Most people expect that the countries of East Asia will continue their rapid growth. Their bargaining power in bilateral relations and in international fora will continue to rise.

Whatever the "Asian edge", economic progress will not be a simple straight line. The economies of Asia will not be immune from an occasional slow-down or a tumble. The famous 800-pound Japanese economic gorilla has recently lost at least 200 pounds. We can expect the "catch up" process to decelerate. Rapid growth, urbanization and political and social fragmentation will lead to demands for greater consumption and higher social spending that will drive up government expenditure and reduce savings and investment. Protectionism in Asia's major markets can sweep away growth projections. And we cannot preclude conflicts or perceived uncertainties that could pull resources away from development and propel populations towards disaster.

Nevertheless, if the principal criterion for the award of the race of the century is the tempo of economic activity or an increasing share of world product, the countries of East Asia for the moment have the inside track. They will need to avoid complacency. America and Europe are still enormous economies and can mobilize huge resources for economic or other purposes once they set their minds to it.

Let us now return to the initial assertions about a Pacific Century. First, the coming century cannot be Asian since there is no Asia. The area is, of course, highly fragmented in almost every way. Political cohesion is lacking, formal economic co-operation, whatever it is worth in today's world, is absent, and mechanisms are not available to help manage disputes. While the security situation in East Asia is the best it has been since World War II, and it is hard, with the exception of Korea, to conjure up serious scenarios of hostilities for the next decade, distrust of neighbours permeates the Asian psyche which, in part, is why more money is being spent on arms. Half of Asia remains afraid of being left alone with Japan and China; both of them are wary of each other and are potentially major competitors. Only in the past decade or two has economic growth begun to create the habits of mind and the foreign investment and other interrelationships that are breaking down Asia's national rigidities and opening up better prospects for co-operation. Overcoming the legacy of the past will take time and work.

None of this is meant to denigrate the accomplishments of the Association of Southeast Asian Nations (ASEAN). ASEAN is an example of a more mature regionalism, one that founded itself during a security crisis — Cambodia — and learned the benefits of fostering a sense of community among its members in dealing with the outside world. The economic openness of its members can be a model for much of the developing world, even if its economic integration has not gone far. ASEAN continues to test new ground, such as whether some sort of consultative arrangement in the security realm is achievable for all of East Asia. We can say, mangling a famous Chinese proverb, that the ASEAN Post-Ministerial dinner provided the first morsel in an unending and movable security feast. And now APEC (Asia-Pacific Economic Conference) — if it is fed a little meat — may ultimately play a unifying political and economic role for the Asia-Pacific area.

Asia is decades away from formal co-operation such as a regional free trade area, and many would question its need or desirability. It is not close to becoming a CSCE (Conference on Security and Co-operation in Europe), if we mean by that a region-wide forum capable of establishing rules for conduct within and between states. Nor does there appear to be much interest in it. Indeed, in so diverse a place as Asia, the development of subregional activity in Northeast Asia patterned along ASEAN lines may make more practical sense than, say, a CSCA (Conference on Security and Co-operation in Asia), although the political constellation of players makes that difficult for the present.

The second point is related to the first; Asia cannot stride into "the future" until it drops the chains left over from the Cold War. It has major transitions to go through before it can develop serious region-wide co-operation beyond the very important but informal economic ties. These transitions are dangerous, and their consequences could ricochet around the area and the world. They could occur at almost any time.

The main transitions — not the only ones — are the end to a decomposing Chinese communist state some time — perhaps a lengthy one — following the death of Deng Xiaoping, and in some fashion the unification of Korea. Associated with the first are such important uncertainties as the incorporation of Hong Kong and the resolution of the Taiwan issue. The second impinges on us anew with North Korea's determination to acquire nuclear weapons. All these transitions can end badly, however unlikely most people here believe and however optimistic Asians are about the impact of trade and growth on mitigating enmity. The view of this writer on Korean unification is that it will be sudden, quick and bloody in the North. What is clear is that Asia cannot get through these transitions on its own. Even if the United States remains engaged, as one fully expects, that still may not be enough to assure peaceful passages.

The third proposition is that only Japan and China have the potential to be leaders of Asia as well as shapers of the world in the next century. It is impossible to conceive of a Pacific Century until Tokyo is prepared to play, and its neighbours prepared to accept, a regionally and globally far more active Japanese role. Equally, there can be no Pacific Century until China, now a wild card, and increasingly the central preoccupation in the region, emerges in a new political form, and behaves in a manner that builds confidence. Both of them in turn must come to terms with each other.

Japanese capital has been the principal economic integrator of Asia, and Japan is a growing contributor to multilateral activities. But for all its power and potential, Japan has to overcome its own self-image, insularity and history if it is to become a regional and world leader. It must cease simply trying to preserve the status quo.

For example, Japan cannot aspire to greater trust from the world and still impede access to its markets of goods and services from the United States, the nations of Asia and the rest of the world. In a similar vein, failure to manage the fierce competitive aspects of U.S.–Japanese economic relations — an American and Japanese responsibility — could damage trade, growth and security for all of Asia. This appears unlikely but it will need tending.

Japan has also far to go in matching its economic clout with the will to project political influence and power. Currently, there is little public interest in Japan in assuming greater global responsibilities, while others in Asia remain wary of Tokyo playing a leadership role, regionally or globally. That is why the Japanese are content to have the Americans out in front in Asia. Yet the feeling is growing outside Japan, even among some in Asia, that Japan must be involved more constructively in the world. Much will depend upon the potential change that has begun in Japan.

Japan could play a greater security role in a multilateral context, particularly if United Nations military operations keep expanding, and Tokyo seems more inclined to do so. But many are quick to see any Japanese assertiveness as the harbinger of renewed militarism, forgetting that Japan is a democratic nation. Outside events such as deteriorating relations with the United States or what happens on the North Korean nuclear issue may turn out to be the most important factors changing the way Japan sees its security needs.

In brief, we are some way off from Japan developing the habits and the institutions needed for asserting greater influence. Nevertheless, the Japanese role in the world is growing and will continue to grow, as it should. But unless both Asia and Japan change, it is difficult to imagine a Japanese-led century, even with Japan's economic power.

It is the same with China. Presently, it is a massive uncertainty. But its size and potential loom over all of Asia. Indeed, what is now happening in China is probably the most important development in the world today.

Even as China grows phenomenally, the communist system keeps declining. But communists, mostly traditional Chinese authoritarians, remain in control with a huge apparatus at their call. Ideology never went deep in China, and economic success may permit the authoritarian leaders who follow Deng Xiaoping to remain for a long time. It is not out of the question that China will disintegrate, not with a bang, although one would not rule that out, but with the increasing devolution of control away from the central government and from the massive corruption that is permeating China. It is, after all, an incredibly difficult country to govern with such an enormous population. Finally, continuing economic reform, privatization and the mobility of population could lead to greater political openness and the gradual withering of China's authoritarian system. China's rapid growth, however, raises the spectre of greatly expanded military capabilities, feeding fears of Chinese efforts to dominate Asia, but that problem is probably decades away.

While China will be more able to throw its weight around in Asia, one does not see any real prospects for a successful Chinese claim to regional leadership, though culture, history and sheer magnitude might argue for it. China, historically, has not been a missionary country, except in the aberrational communist era. Its leadership has been imperial and ethnically based. Despite their prosperous Chinese populations and historical Sinitic ties, the countries of Southeast Asia assert strong and distinct national identities of their own, to say nothing of Asians who have not Sinitic associations. The proposition of a China-led Asia, projecting values with an extra-regional appeal, is even more dubious, so long as it remains communist of sorts, and Beijing's diplomatic friends include Iran, Libya, Iraq, and North Korea.

Now we come to the fourth assertion, which is far more subjective. It is that a Pacific Century has to be rooted in more than economic dynamism, however great its transforming effects. Economic might alone does not make a global leader, nor do closer economic links fully substitute for political genius or the vagaries of domestic politics. A strong economy is a precondition for domestic health, military strength, and global influence. But in an interdependent world, those that aspire to lend their name to centuries must also have political strengths and value systems that enable them to project influence persuasively. Economic power without acceptance of the responsibilities and burdens of leadership ultimately engenders divisiveness and hostility. And given those responsibilities and burdens, it is a serious question whether the countries of Asia actually aspire to a global reach beyond the economic. Most in fact seem pleased enough to go about developing their economies and lifting the poverty of their peoples.

The American experience with global leadership — much easier because it was not a multinational one — is sobering in this regard — even in the "American Century". Before this century began, it was already being dubbed the "American Century", largely because of the United States' vast economy and its promise, just as the economic dynamism of the Pacific argues for its primacy in the coming century. But economics alone did not secure the "Pax Americana". That came only when the United States stepped up (reluctantly and almost too late) to the challenges of global leadership during World War II and its aftermath, harnessing economic might to political will.

A famous 1941 *Life* magazine article by the powerful American publisher, Henry Luce, entitled "The American Century", appeared at a time when the world stood at the Century's pivot point — midway between the innocence lost with World War I and totalitarianism's defeat with the fall of Soviet communism. Luce called for a policy of sustained internationalism tied to American ideals of freedom, justice and democracy. To lead in the post-war period, the United States would have to be a generator of ideas and a sharer of know-how because prosperity would increasingly be dependent on global growth. The United States would have to play the part of "Global Good Neighbour" and help improve life world-wide. And it would have to serve as a source of values or a model of society that men and women around the globe could embrace. It comes as little surprise that Luce grew up a missionary child in China.

Even with today's understandable preoccupation with "geo-economics" and the flight from foreign policy, Luce's criteria for enlightened international leadership still seem to have some pertinence. Let us relate those criteria to the countries of Asia.

On the capacity to innovate and the willingness to share know-how, Asia has great potential (Japan, for its part, is already exploiting it), but far less experience or inclination than the West. Asia's growth so far has rested not on innovation but on the absorption of ideas and technology from North America and Europe within its own structures. Asia's institutes, universities and professional schools remain largely underdeveloped, while research and development (R&D) spending is growing rapidly although, with the exception of Japan, it is still small. Indeed, the biggest and continuing long-term contribution of the United States to Asia has probably been the education of millions of Asians. None the less, Asia's genius for economic management is impressive. Equally, its ability to adapt and its flair for commercialization have melded in productive ways with qualities such as a sense of order, an outstanding work ethic and an emphasis on teamwork. Asia's contributions can be dazzling, if still some way off. Chalk this one up to time-lag.

The second criterion, playing the "Global Good Neighbour", sounds quaint to today's ears and smacks of chauvinism. But if one takes it to mean enshrining a humanitarian instinct in policies so that they reach beyond family, ethnicity and culture to helping raise up the poorest and the general global well-being, then it is a legitimate measure of international leadership potential. If the word "humanitarian" sounds too preachy, then call it an understanding of other people's needs.

There are many to be helped, from those who are strategically important to all of us (such as the Russians) to the growing legions of poor in Third World countries. As most of the West has turned inwards, foreign aid has been trimmed. Except for Israel and Egypt, the U.S. aid programme has almost been decimated. The term "compassion fatigue" has become fashionable in the West. Japan has become the largest aid contributor in the world. Its contributions, however, represent a small percentage of its gross national product (GNP) and still focus mainly on exploiting commercial opportunities in its backyard. Some 65 per cent of Japanese aid flows to East and Southeast Asia. And Japanese policy towards international financial institutions is heavily influenced by commercial considerations.

Asian countries have not been friendly to the inflow of foreigners which creates pressures that impinge menacingly on Western countries, particularly during recession, and are bound to grow on Asian ones as they become more prosperous. Moreover, the non-governmental organizations that have played a key role in prodding Western governments on humanitarian, environmental and similar issues are developing slowly in Asia with many difficulties to overcome.

To put the issue in a different way, will Asia make humanitarian leaps in both cognition and practice when terrible events intrude so immediately before the whole world on Star TV and CNN? This may border on Western self-righteousness here. The pursuit of idealistic goals, however, often tinged with self-interest, is to a large extent a function of income levels, although one has seen many poor people share their bread with even worse off foreigners. We will probably have to wait to see what twenty years of growth does for the altruistic instinct in the region.

For all of this, we must return to the question of whether Asia can promote values with broad extra-regional appeal, not simply impressive economic practices that others want to copy. Democratic values are admittedly Western in origin, but, as we look around the world, not exclusively Western in appeal or in application.

America, with its urban rot and present abdication of responsibility in the face of genocidal behaviour in Bosnia, has, of course, no reason to be smug. As writers in Asia often remind us, there is no unified Asian view on human rights and political freedoms. Nevertheless, democratic values are gaining currency throughout Asia, and it is fashioning its own democratic processes and institutions. Events in South Korea, Taiwan, Japan, the Philippines, and Thailand make it clear that plenty of people want more say in their governments, and their governments to behave better.

For those who regard democratic values as inherently Western and are sceptical about them sinking deep roots in Asia, it is difficult — at least for this writer — to conjure up Asian alternatives that could foster regional cohesion or resonate world-wide. That is why one is fascinated by the emergence of Asian neo-Confucians — not the kind found in the United States, but rather new neo-Confucians — people who are exploring the evolution of a modern Confucian ethic as a response to the adoption of democracy-based value systems. Asian values of orderliness and collectivism may not be fully compatible with Western concepts of individual-based liberty, but they are not wholly incompatible either.

The problem is to find a balance between order and personal freedom, to see governments maintained that are both effective and responsive. As a matter of fact, the West could use more order in its societies and Asians could use much more personal freedoms — which is not to say that Western democracies should act authoritarian. Many Western countries, including the United States, clearly need to restore a greater sense of community and responsibility that has been lost by fantastic economic and social change. Governments can promote but cannot impose it. By the same token, democratic values cannot be imposed on societies, but can only evolve through social and economic change and world-wide exposure.

Authoritarian models may work until nations achieve a certain level of domestic stability and economic well-being. But for the long run, one believes that personal freedoms, political progress and sustained economic growth are interdependent. In this day and age, the better off a population is, the more political freedom and political empowerment it will seek to exercise. Across East Asia, a growing middle class demands more responsive, less heavy-handed governance. The spread of education and global information is changing the political foundations of much of Asia. You can be sure it will continue to do so. It is hard to see how authoritarian models of government can draw the diverse region together, maintain legitimacy over the long term, and serve as a viable vehicle for internal let alone global leadership.

Finally, another obstacle making it difficult for Asia to project influence globally is racism. Racism and ethnic hatreds are, of course, not confined to Asia; they haunt every region on the globe from Bosnia to Northern Ireland. Certainly, the multi-ethnic nations of Asia are deeply aware of the problem and are struggling to ensure domestic stability while confronting constructively the political and social realities of ethnic distrust, bias and animosity. But the problems are deep-rooted and can get out of hand. In some circumstances, countries prefer to see no evil. That is one reason why Tibet is an international issue but not an East Asian one.

Everyone knows that there are dismissive attitudes in Asia towards others in the Third World — entire continents in fact — as well as towards various ethnic groups in the region itself. Such an attitude has been one of the unspoken causes of tension between Japan and the rest of Asia. Tough attitudes towards immigration are not simply a function of income levels.

And now, the fifth and last point. If there is to be a Pacific Century, it will have to be just that — one achieved by Asia in co-operation with the United States and played on more than a regional stage. The ability of Asian countries to have more impact in the world will depend to a significant degree — particularly because of the coming political transitions — on whether the United States continues to play not only a major role in the region but also a leading one in the world. Regionalism has severe limitations in dealing with world-wide issues.

There has been a belief in much of Asia that it is the U.S. presence that maintains peace and stability in the area. In the case of Korea, that is no doubt true. The U.S.–Japan alliance serves a Korean purpose and more. The United States also apparently functions, as it does in Europe, as the region's therapist, whom most countries in the absence of a political anxiety pill want to have around in some fashion. So to many, the prospects for peace and peace of mind — and therefore continued prosperity — relate, at least for another decade, to a visibly active U.S. military and political role.

Currently, however, America, in Lyndon Johnson's inimitable description of a well-known American politician, is having trouble walking down the street and chewing gum at the same time. In this last decade of the American Century, the United States is undergoing a small identity crisis of its own. Parts of the crisis involve values affecting the cohesion of American society and difficulties with its political process. Another part of the problem is an understandable, hopefully short-term, preoccupation with "jobs, jobs, jobs", and getting growth going, which poses a test of political leadership. It is important, however, not to forget that the United States by its very nature is a resilient, dynamic, and innovative country.

Americans are also at sea in defining their strategic interests in today's world. One recognizes that despite all the blather emanating from Washington about American leadership, it has been in short supply since the end of the Gulf War, both economically and politically. Meeting America's domestic tests is essential for the long term; meeting them in a shortsighted manner could result in vast foreign policy failure — at a decisive time for international political and economic institution building.

Whatever America's relative decline in economic and political power terms, in the final analysis what happens in Asia will still depend heavily not only on the U.S. economy but on U.S. leadership — or its absence — because for the next decade at least, there is no one else in the world to lead, or even just to cushion Asia's difficult transitions. It would therefore seem in the interests of Asian countries to facilitate the American engagement that most of them profess to want by keeping markets accessible, enhancing security dialogues, contributing to aid programmes throughout the world, and doing more than just business as usual.

Asia's dynamism has changed the lives of hundreds of millions of its peoples and given greater encouragement to countless others throughout the whole world. But even if the region's success deepens and the ingredients of a Pacific Century are assembled — a strengthened Asian capability to maintain security, a Japan that has found a comfortable and responsible international role for itself, a constructive non-imperial China, a greater Asian contribution to global well-being, and a reliable American role in the region — even if all this is achieved, one does not believe that one hundred years from now historians will be describing the twenty-first century as the Pacific Century, because they are unlikely to be thinking in those terms anymore.

The global game of the future will still have a military–security dimension, but it will hopefully be less about power balancing and more about perfecting the art and tools of multilateralism across the whole range of human activity and not just its economic aspects. Multilateralism has had a rebirth with the end of the Soviet Union and the vast expansion of United Nations peacekeeping activities. It has been alternatively praised or scoffed at, or both. In the case of Bosnia it has been a veneer behind which to hide a lack of ideas or a failure of resolve. Peacekeeping is now in deep trouble, financially and politically. However, even if governments were inclined to act unilaterally, particularly a military intervention, the domestic politics of democratic countries is making such efforts increasingly difficult. So are the economic limitations. Many of the world's problems will thus be handled in concert or not at all. If multilateral institutions and practices at the regional but particularly global level are to be more than lowest common denominators, then powers like the United States and Japan will have to provide sustained leadership and resources, and lesser powers will have to exercise considerable statesmanship. That concern does not seem to be much on people's minds today in Asia or in the West. Nor is it clear that either party is prepared to break years of habit dealing with global issues — Asians of unconcern, Americans of unchallenged control.

Unless all are willing to rise to the challenges of global leadership, for all their wealth or growing wealth, Americans and Asians alike may face the possibility that the next century will belong to no one and nothing in particular. We may see prosperity for more people, and that is much to be desired. But the twenty-first century could also be an age of drift and alienation, of little leadership or divided leadership, of disparities and dirty little conflicts. The present decade will be a testing period for effective and enlightened multilateralism in the next century.

Asia's extraordinary growth has already created a new reality for its peoples and the entire world, transforming all our lives and the way we do business. The seeds of domestic change and constructive regionalism have spread impressively and will generate new political realities for Asia and for the world. Asians have an unprecedented opportunity to work together to contribute to the world's capacity for leadership. In the end, domestic political developments, the capacity to deal with enormous social change, and broad political vision will be the main determinants of whether that prospect becomes reality.

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Indochina and ASEAN: Seeking a New Balance

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The new relationship in place between Indochina and member countries of the Association of Southeast Asian Nations (ASEAN) may be regarded as a solution to yesterday's problems and not today's. This new balance in the relationship cannot in itself provide a sufficient basis for a post-Cold War security order in Southeast Asia. The attendant change in the regional strategic context means that the question of security has to be addressed within a wider East Asian framework. That need has been recognized in the initiative taken for a wider multilateral security dialogue at the meeting of ASEAN's Foreign Ministers in Singapore in July 1993. This promising development extends geographically the ASEAN security model based on conflict management and avoidance. But that model has never been intended to cope with the problem of power in regional relations for which more robust provision is required than an extended structure for confidence-building.

A new balance of a kind is already in place between Indochina and ASEAN. That much has been conspicuously evident ever since the Cambodian peace agreement was concluded in Paris in October 1991, despite continuing problems of implementation. In the case of Vietnam, the pace and extent of ministerial and bureaucratic exchanges with the ASEAN states have been striking. Accelerated economic dealings have been underpinned by an expanding network of regional air communications.

Laos has not attracted the same attention, partly because the landlocked state has never been regarded as a challenging independent actor. It also does not offer the same business opportunities. Cambodia, of course, is in a different category having been an arena for conflict for more than a decade. It has been subject to United Nations peacekeeping in the hope that supervised elections might pave the way for genuine national reconciliation and then for participation in regional co-operation. Despite the undoubted success enjoyed by the United Nations Transitional Authority in fulfilling its mandate, internal political order remains fragile and uncertain. It has to be said that, however desirable it may be to incorporate Laos and Cambodia within a new structure of regional relationships, the issue of a new balance between Indochina and ASEAN depends, above all, on the quality of ties with Vietnam.

Vietnam has always been the key to a new balance; in the past, it had been the dynamic source of revolutionary political challenge and change in the peninsula. With a population some seven times as large as that of the other two Indochinese states together, the state of Vietnam has been historically an expansionist entity. Viewed at one time as the likely Prussia of Southeast Asia, its radical revision of economic priorities in the interest of regime security has had a direct impact on its foreign policy both within and beyond the region. Its government has progressively discarded dogma in favour of pragmatism partly to forge a new relationship with ASEAN, without evident preconditions. The first stage of that evolving relationship was consummated in Manila in July 1992, when Vietnam, with Laos, acceded to ASEAN's Treaty of Amity and Cooperation and acquired observer status at annual meetings of the Association's foreign ministers. The expectation is that in time, with growing convergence between their economies and as mutual confidence increases, observer status will come to be translated into full membership.

What more is there to say about the new balance? First, it is useful to recall that the relationship between the states of ASEAN and those of Indochina has been problematic ever since the Association was formed. Secondly, it should not be assumed that because adverse circumstances have made Vietnam a supplicant state, the new relationship in train even before October 1991 can be taken for granted and left to the ministrations of economic interests, however important. Indeed, those economic interests will not necessarily be totally harmonious. Finally, it is important to assess just what contribution the so-called new balance can make to realizing the goal of common security in the region as an expression of a "shared destiny", which is the title of a report published in early 1993 by an authoritative ASEAN–Vietnam study group. Indeed, it would seem most profitable to address the subject of a new balance between Indochina and ASEAN in the context of a wider East Asian regional security initiative which has only recently been undertaken.

This article addresses the changing nature of the relationship between

Indochina and ASEAN and also the measure of opportunity which the political watershed of the Cambodian settlement provides for expanding regional co-operation on the basis of mutual confidence and shared understandings. At issue is an obvious underlying question: how to manage regional order in fundamentally changed strategic circumstances and more importantly, to what extent can such management be approached on a regionally autonomous basis. The member governments of ASEAN have never been able to come to terms among themselves over the most appropriate model for regional security and have long been torn between a declaratory commitment to a Zone of Peace, Freedom and Neutrality (ZOPFAN) and more orthodox balance of power arrangements involving arms procurement and the engagement of extra-regional states.

The issue of the scope and nature of a comprehensive regional order was first addressed at ASEAN's formation in August 1967. ASEAN's founding declaration looked forward ideally to a membership coincident with all the resident states of Southeast Asia but the corporate hand seemingly extended was constrained by conflict in Indochina. Indeed, for the ASEAN states, Indochina constituted a zone of menace. Only Vietnam, north of the seventeenth parallel, was then communist. But the imagery of falling dominoes within the peninsula under its inspiration and direction — particularly given Vietnam's international affiliations — had long captured the political imagination among regional partners. And most of them had experienced armed insurrection shortly after the end of the Pacific War.

For the government in Hanoi, however, ASEAN was a political fraud. It was perceived as a surrogate for American and Japanese interests, a pseudo entity fabricated by governments which in one way or another was party to military intervention in Indochina in order to repress legitimate social revolution. There was an unbridgeable political gap between communist Indochina and ASEAN, especially in the early 1970s when some non-communist governments in the peninsula under challenge from Hanoi or its minions were invited to send observers to annual meetings of ASEAN foreign ministers.

The year 1975 saw the falling dominoes in Indochina, or so it seemed. But ASEAN kept its collective nerve in the face of disturbing revolutionary change and its heads of governments met together for the first time in February 1976 in Bali to register a corporate political identity which had not been made explicit in 1967. They also sought an opening to the states of Indochina through the vehicle of the Treaty of Amity and Cooperation which incorporated a code of conduct for managing intra-regional relations. At this juncture, the balance of advantage between Indochina and ASEAN had changed adversely for the latter, even though communist

Indochina did not quite match Vietnam's geostrategic design of a set of patrimonial special relationships. At issue, none the less, was the basis on which regional order might be managed.

This problem was not a novel one. It had been addressed on a smaller scale prior to the formation of ASEAN when the Malaysian Government had toyed with the idea that its Indonesian adversary in confrontation should demonstrate its political contrition by joining the Association of Southeast Asia, or ASA, established in 1961. It very quickly became clear that institutionalized regional reconciliation required a completely new structure of relations whereby Indonesia's national pride would be assuaged by the Republic being a founding member. In addition to becoming a party to a new venture in regional co-operation, Indonesia was able to incorporate its own vision of regional order into ASEAN's terms of reference. This vision was reiterated in the subsequent declaratory commitment to a Zone of Peace, Freedom and Neutrality in Kuala Lumpur in November 1971, which was reaffirmed in February 1976 at the Bali Summit.

To the government in Hanoi, the attempt at political accommodation made at Bali was not taken at face value. Having recently humbled the United States, it was not going to allow seeming Southeast Asian lackeys to prescribe for regional order. This was made clear in August 1976 at the summit of the Non-Aligned Movement in Colombo, when a united Vietnam, supported by Laos, attacked ASEAN's Zone of Peace prescription, in part because it had been promulgated "when the ASEAN countries were directly or indirectly serving the US aggressive war in Vietnam, Laos and Cambodia in complete contravention of the principles of non-aligned . . .". Apart from being able to expunge ASEAN's chosen formula from the final resolution of the Non-Aligned conference, Vietnam raised a question about the legitimacy of the governments of ASEAN, which it was not prepared to deal with on other than a bilateral basis.

It was quite clear that the idea of a new balance or relationship between Indochina and ASEAN was then out of the question. ASEAN was not regarded as a genuinely representative body and, therefore, an alternative structure was required for which ASEAN, in replacing ASA, had provided a precedent. For example, at the end of 1977, Vietnam's Prime Minister Pham Van Dong was asked "What kind of relations are you going to establish with ASEAN?" He replied, "The policy of setting up such military blocs as ASEAN in South-East Asia has failed and passed forever". He went on to say that "The relationship of friendship and cooperation among countries of this region must be established on a new basis, in a new spirit . . .".

If the relationship between Indochina and ASEAN began with Vietnam articulating deep-felt suspicions, the ASEAN states were given particular cause for mistrust at the end of the decade. It should be recalled that Vietnam's invasion of Cambodia took place only shortly after a series of so-called good-will visits by Prime Minister Pham Van Dong to ASEAN capitals, prompted by a marked deterioration in Sino–Vietnamese relations. His publicized assurances of non-intervention in the internal affairs of regional states were seen to have been worthless with the invasion of Cambodia, which was regarded as virtually an act of treachery. Irrespective of mixed feelings among the ASEAN governments over Vietnam's place in Indochina and its motive for intervention, members of the Association could not overlook such a blatant violation of the cardinal rule of the society of states.

In the event, ASEAN has not been obliged to accommodate Indochina, and Vietnam in particular, in the way that ASA was subsumed to accommodate Indonesia. As we know only too well, Vietnam's political will was broken on the anvil of Cambodia, having been undermined also by a self-destructive attachment to economic dogma. Its government sought to make a virtue of necessity from the late 1980s in revising economic policy to counter the prospective loss of Soviet countervailing power and patronage and to maintain the monopoly political role of the ruling Communist Party. The grudging acceptance of the terms of the Cambodian settlement in the wake of the end of the Cold War made it evident that Hanoi had taken to heart China's geopolitical lesson handed out in punitive form in 1979. In the circumstances, a one-time heady triumphalism was replaced by a pragmatic outlook expressed in part with reference to ASEAN. There was an evident desire to make up for time wasted while bogged down in Cambodia, during which most ASEAN economies had flourished. The states of ASEAN provided economic models worthy of emulation as well as a bridge to the international economy and especially as a means of escaping from a punishing American trade and investment embargo.

By the fourth meeting of ASEAN's heads of government in Singapore in January 1992, the balance of advantage between Indochina and the Association had been transformed. ASEAN's intra-mural structure of conciliation and its role as a diplomatic community were no longer subject to derisive comment. On the contrary, Vietnam and Laos sought to accede to the Treaty of Amity and Cooperation as a step towards full membership on ASEAN's terms in much the same way that a new state might apply to join the United Nations. Vietnam and Laos have been driven by economic imperatives and also by those of national security shaped by the greater strategic latitude enjoyed by China as a consequence of the end of the Cold War. It is Vietnam and Laos which have assumed a supplicant role towards ASEAN, now viewed as a countervailing factor of advantage in regional relations. Cambodia, of course, cannot begin to address the question of regional association until its internal order is made stable.

What then is the essence of the new balance between Indochina and ASEAN in transformed regional circumstances and what is its potential?

First, it should be well understood that Indochina is now only a category of convenience rather than a set of special relationships subject to Vietnamese dominance. Vietnam's relationship with Laos has begun to change from that between virtual metropolitan power and provincial centre, with Vientiane displaying greater autonomy. Indeed, with the disintegration of the Soviet Union, Vietnam cannot afford to be its patron in a material sense. Cambodia has, of course, been prised from Vietnam's grasp and an underlying tension based on cultural differences and historical experience is expected to shape an uncertain future relationship. In consequence, the very notion of a balance between Indochina and ASEAN is already outmoded because the concept of Indochina as some kind of unitary actor needs to be radically revised.

Secondly, although ASEAN has a well defined corporate identity, it is also very much the mixed sum of its constituent parts which are not in accord on all regional issues. Its members have never shared the kind of declaratory aspirations to be found in the Treaty of Rome which still inspires the goals of the European Community. Moreover, its governments have mixed as well as common views about security and cannot be expected, for example, to seek to integrate Vietnam within a conventional collective defence structure designed to contain any creeping assertiveness in the region by China. Apart from the absence of a lobby within ASEAN with an interest in so confronting China, there is also a lack of a necessary common strategic perspective. It should be noted that during the Cambodian conflict, despite some misgivings, the diplomatic weight of ASEAN was employed primarily in the interest of Thailand, represented as the Association's front-line state. The geopolitical perspective bearing on the trans-Mekong zone which shaped that interest can still be identified among the important military constituency of Thai politics despite the public reconciliation between Bangkok and Hanoi at the ministerial level. It is worth pointing out that Thai war games conducted earlier in 1993 involving infantry, artillery and tanks were based on the scenario of a return of Vietnamese troops to Cambodia.

That said, the concept and practice of balance in the relationships between states is well understood in Singapore and among its regional partners within ASEAN even if they have not necessarily shared a common view about its particular purpose. The concept and practice of balance is traditionally associated with military power; and above all, the prospect of its collective projection in response to the advent of a menacing dominance or hegemony. But in the case of ASEAN, balance of power in the conventional sense was excluded deliberately from its corporate philosophy and declaratory vocabulary from the outset. Despite some urging, the ASEAN states have never moved in the direction of alliance formation and have excluded conventional defence co-operation from their common agenda. For example, they did not take up the challenge presented by United Nations peacekeeping in Cambodia to engage in that quasi-military undertaking on a collective basis. Instead, each member state which participated despatched a separate contingent of soldiers or police. In retrospect, ASEAN may have missed an important opportunity to lend substance to its declaratory position on regional order.

Member governments have sought to deal with problems of imbalances in the regional distribution of power in part through a structure of consultation and conciliation which has made it possible to mitigate and manage conflict within the walls of the Association. And, although they have endorsed a code of conduct for regional order in the Treaty of Amity, its dispute settlement provisions have never been invoked since promulgation in 1976. To do so could, of course, expose intra-mural tensions and conflicts of interest at the expense of corporate cohesion whereas the culture of ASEAN is disposed to concealing or minimizing such conflicts. To that extent, in limiting its security role, ASEAN has to suffer the defects of its evident qualities.

Beyond its walls, ASEAN has sought to function as a diplomatic community employing regional credentials to register a collective view on issues of common interest. Obviously, much more notice is taken internationally of six states speaking with a single voice than of a discordant chorus. But the role of the diplomatic community has changed significantly since the end of the 1980s when the Cambodian conflict was still concentrating the minds of member governments.

The strengths and limitations of ASEAN's challenge to Vietnam's occupation of Cambodia should be well understood. That challenge was a product of the Association being a party to a tacit alliance in which China assumed military obligations, and the United States and Japan in particular applied economic sanctions. Against the direction of its guiding declaratory philosophy and the political inclination of some member governments, ASEAN with a diplomatic responsibility was drawn into a classical practice of the balance of power to deny the dominance of Vietnam in Indochina. The collective strategy of attrition worked over time, especially when a vulnerable Vietnam could no longer cope with economic distress because of diminishing access to Soviet benefaction, which then ceased with the disintegration of its longstanding patron.

It should be noted that there is a conspicuous contrast in context and significance, for example, between ASEAN's stand on Cambodia from January 1979 and that on the South China Sea in July 1992. In promulgating a declaration on the latter issue at a meeting of foreign ministers in Manila, ASEAN gave notice that it had recovered its collective diplomatic voice after having been marginalized by the permanent members of the United Nations Security Council in promoting conflict resolution over Cambodia. That declaration met with Vietnam's approval, which was understandable in the light of its government's signature of the Treaty of Amity and Cooperation which gave it observer status in Manila. China, however, indicated a studied reserve at the time, if subsequently indicating a more accommodating attitude. The United States, for its part, did not at the time display any serious interest in the declaration despite the presence of its Secretary of State at the annual post-ministerial meeting. Such evident indifference came shortly before America's final withdrawal from military bases in the Philippines, with implications for the regional balance of power.

The point at issue is that the tacit alliance which had been formed at the height of the so-called Second Cold War to challenge Vietnam's occupation of Cambodia has been dissolved. The convergence of strategic interests which had made possible an international division of labour to deny Vietnam's dominance in Indochina no longer obtains. The corporate diplomacy of ASEAN is no longer underpinned by the joint countervailing power of China, the United States and Japan, among others. On the contrary, its utility is now based on the more mixed interests of both regional and extra-regional states in cultivating and accommodating the Association, whose members have in the main demonstrated both economic accomplishment and a collegial culture of relations.

The reason for this discussion is to make clear that whatever the merits of a new relationship between the Indochinese states and those of ASEAN, any attendant constellation between them will not comprise an enhanced makeweight in the regional balance of power in the conventional sense. A structure of intra-mural conciliation may be widened, and a collective diplomatic voice may be strengthened. These are desirable outcomes in themselves but they do not necessarily provide the building blocks for a new regional order in the post-Cold War era. Indeed, it is partly for this reason that the ASEAN states have begun to explore, with their observer and dialogue partners and also China and Russia, a wider East Asian structure of multilateral security dialogue which has borne embryonic fruit as the ASEAN Regional Forum. Singapore's Foreign Minister, Wong Kan Seng, has been quite explicit about his government's interest in this undertaking. He has pointed out that a multilateral security dialogue creates a new rationale for an American presence in post-Cold

War Asia-Pacific. Implicit also is the need to engage China constructively on the basis of its growing economic interest as well as to avoid Japan being attracted to a military option.

In discussing a new balance between Indochina and ASEAN, we have to be clear on what is required as well as what is possible. From the perspective of the ASEAN states, the essence of a desirable new balance of advantage is already in place. Vietnam and Laos have committed themselves to market-based economic reform through close engagement with the regional and international economy and the momentum of that policy has been sustained. Vietnam, in particular, has overcome a one-time pariah status and is no longer perceived as the proxy of any other state; nor is it viewed as harbouring the kind of geopolitically-driven ambitions in Indochina which were articulated openly with national unification in the mid-1970s. Close proximity must sustain an abiding interest in Laos and Cambodia but Vietnam's spokesmen have openly reiterated a determination not to be drawn again into the trap of Cambodia.

The ASEAN governments no longer regard Vietnam as the core of a communist menace in Indochina. They see the creed of communism as having withered away, remaining only in the form of a ruling party whose preservation of a monopoly of power is the prime consideration of its beneficiaries. To the extent that the ruling party in Hanoi is willing and able to convert itself from one kind of authoritarian structure into another devoid of doctrinal rectitude, it would have little difficulty in being accommodated into a regional order based on a mixture of market economics and conservative politics. Vietnam and Laos have come to ASEAN as supplicants, without seeking to negotiate special terms of entry and have been received on that basis.

The problem for ASEAN is that the opportunities for new forms of post-Cold War relationships in Southeast Asia, incorporating Indochina, do not in themselves necessarily make for a tolerable balance or distribution of power in which full responsibility can be assumed by regional states. Vietnam's pragmatically-driven changes of policy have been warmly welcomed, together with its desire for membership of ASEAN, which would seem to be a matter of timing. However, Vietnam's change of political heart in the 1990s in a new strategic context is of much lesser significance than a positive response to ASEAN's bridge-building initiative would have been in the mid-1970s. Progressive membership of the Indochinese states in ASEAN will certainly expand an important network of bureaucratic and ministerial consultation which can be used to address a multiplicity of disputes, especially over territory. But an expanded membership will not in itself be able to confront a wider problem of regional order arising from post-Cold War changes in the East Asian balance or distribution of power of which China has been the major beneficiary. To that extent, the problem of seeking a new balance has to an important extent become irrelevant if addressed on an exclusive Southeast Asian basis.

In 1976, a change in the form of regional relationships through, for example, Vietnam acceding to the Treaty of Amity would have signalled a critical intent to be a good regional citizen, with Vietnam at the height of its revolutionary power. Such a change of form would have been the instrument of a change of substance in relations between Indochina and ASEAN. In 1991, that accession served to confirm such intent, which had been registered progressively as Vietnam sought to overcome a predicament which threatened its domestic political order. But in 1992, Vietnam's accession represented not much more than a change in form which followed on from an earlier change in the substance of policy. As such, it has represented a far less significant act than it might have done some decade and a half earlier in a very different strategic context.

Clearly, a process of regional confidence building has been in train which membership in ASEAN should accelerate to advantage. But that process has arisen from a fundamental prior change of circumstances for Vietnam and Laos which has driven them in a political direction which pleases ASEAN. The so-called new balance arises from those circumstances and not from expanding the formal bounds of regional co-operation. Indeed, the problem of managing the regional balance of power in the wake of the Cold War will not be readily solved through the simple means of Vietnam and Laos joining ASEAN, with Cambodia to follow hopefully in time. The issue of a common strategic perspective which has been absent among the members of ASEAN and which has made defence co-operation problematic will not be resolved simply by an expansion of ASEAN.

A greater ASEAN can provide an important structure within which confidence building may proceed but without any guarantee, for example, of resolving substantive problems of jurisdiction in the South China Sea. Nor will it necessarily provide a forum for overcoming geopolitically driven differences between Thailand and Vietnam, for example, which in turn make it difficult for a common countervailing stand to be taken against a territorially revisionist China. China's new-found strategic latitude, underpinned by an extensive programme of rearmament, means that however beneficial the new balance between Indochina and ASEAN, its main significance has been to register the solution of yesterday's problem; not necessarily today's.

In politics as in life, most solutions give rise to new problems which the new balance in the making between Indochina and ASEAN cannot necessarily address with any great effect. An expanded ASEAN can only provide for common security up to a point. If it were expected to do better, then those ASEAN governments which can afford it would not be spending significant sums on arms procurement for external defence. Moreover, the very emergence of a new balance — in practice a new distribution of power — has the potential to set up new tensions arising, for example, from the extent to which China still continues to view its relationship with Vietnam in patrimonial terms.

The new balance between Indochina and ASEAN merits careful cultivation and, indeed, time and effort have been well expended in prescribing and providing for mutual trust and understanding. Its importance in the light of past turbulent experience should not be under-estimated. But it should be well understood that the new balance is not in itself a formula for regional order. The problems of Southeast Asia, despite a growing regional coherence, cannot be fully addressed if extracted from a wider East Asian regional domain whose strategic context has changed, generating in the process uncertainty and apprehension. At their last summit in January 1992, the heads of government of ASEAN pledged that the Association would move towards a higher plane of political and economic co-operation to secure regional peace and prosperity. The change in strategic context attendant on the end of the Cold War requires a wider perspective and political imagination extending beyond Southeast Asia which has been duly acknowledged by the expanded membership and terms of reference of the most recent Post-Ministerial Meeting held in Singapore in July. The ASEAN Regional Forum has been an encouraging development but it is well understood that, beyond Indochina and ASEAN, a much greater range and mixture of interests have to be accommodated.

At issue as the twenty-first century approaches is how regional states might reconcile their cultivation of the new balance between so-called Indochina and ASEAN with managing wider problems of East Asian regional security attendant on the new post-Cold War pattern of power. The new balance within Southeast Asia cannot stand on its own. It requires a wider approach which has been addressed recently in embryonic form. That wider approach offers promise in terms of opportunities for regional confidence building. But it also cannot necessarily overcome the problem of power which, despite and because of the end of the Cold War, will remain a perpetual factor in regional relations. It should be understood that the ASEAN model of security based on conflict management and avoidance has never confronted that problem. Extending that model geographically will not in itself provide a robust basis for security provision after the end of the Cold War.

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Why Hasn't Vietnam Gained ASEAN Membership?

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Not long ago, it would have been impossible to imagine the current rapprochement between Vietnam and the ASEAN countries. Changes in the global and regional environment, as well as in the policies of Vietnam and the constituent ASEAN members are the main reasons for the improvement. Stimulated by ASEAN's success, Vietnam has shown its interest in joining the Association. Among the ASEAN countries, Indonesia and Malaysia have positively supported Vietnam's proposal, but ASEAN, as an organization, has not yet reached consensus on the issue. This article analyses some underlying reasons for the hesitations among the ASEAN countries and discusses Vietnam's main preoccupations.

The past few years have brought a significant improvement in relations between Vietnam and the countries of the Association of Southeast Asian Nations (ASEAN). What are the motives that have led to a *rapprochement* between once bitter enemies in such a short space of time?

Firstly, the relaxation in great power rivalry since the late 1980s has had a great impact on Southeast Asia. Secondly, the complete withdrawal of Vietnamese troops from Cambodia in September 1989 acted as a "catalyst" for *rapprochement* between Vietnam and ASEAN. The reasons for improved relations are thus related partly to the global situation and partly to the situation in Cambodia.

At the Seventh Congress of the Vietnamese Communist Party in 1991, a "new outlook" on foreign policy was adopted. According to this "new outlook", Vietnam desires to be a friend to all and to diversify its relations with all countries in the world regardless of their political and economic system.[1] The ideological approach to foreign policy should be replaced by one based on national interest; priority has therefore since been given to relationships with neighbouring countries. Thus, for the first time, relations between Vietnam and the ASEAN countries have enjoyed the same priority as relations with Laos, Cambodia and China. This change in Vietnam's policy has been welcomed by most if not all the ASEAN countries who see it as constituting a historical opportunity to build a new order in Southeast Asia.

Thus far, improvements in relations between Vietnam and ASEAN have been recorded in all fields. There have been frequent visits by the leaders of Vietnam to the ASEAN countries and vice versa: Indonesian President Soeharto, Thai Prime Minister Anand Panyarachun, Malaysian Prime Minister Mahathir Mohamad, and former Singapore Prime Minister Lee Kuan Yew have been to Vietnam, while Vietnamese Prime Minister Vo Van Kiet has visited the ASEAN countries twice within less than a year (his first round-trip to the ASEAN countries took place in October–November 1991, and was followed up in February, April and July 1992). Accordingly, bilateral economic relations between Vietnam and the ASEAN countries have improved. In late 1991, just after the International Peace Accord on Cambodia had been signed, Singapore lifted its investment embargo against Vietnam and in the same year Singapore surpassed Japan as Vietnam's largest trading partner with bilateral trade exceeding US$930 million. Among the ASEAN countries, Singapore and Malaysia are now the biggest foreign investors in Vietnam with US$186 million and US$163 million respectively.[2] Furthermore, cultural contacts between Vietnam and the ASEAN countries have also experienced a significant increase.

Clearly, co-operative and friendly relations between Vietnam and the ASEAN countries have now entered a new phase.[3] During his visit to Indonesia, Singapore and Thailand in October 1991, Vietnamese Prime Minister Vo Van Kiet expressed Vietnam's desire to be an integral part of Southeast Asia (meaning a member of ASEAN). This declaration was considered sympathetically by Indonesia and Malaysia whose thinking seemed to be based on the concept that Southeast Asian regionalism should embrace Indochina to strengthen the collective shield against China. The Malaysian Prime Minister publicly supported the integration of all Indochinese countries as well as Myanmar into ASEAN.[4] Vietnam, of course, finds it necessary to make clear that it would not join ASEAN in order to use the organization as a counterweight to China. While improving its relations with ASEAN, Vietnam has also significantly improved its relations with China.

Given the current development in relations between Vietnam and the ASEAN countries one may feel satisfied that the Indochinese countries will actually join ASEAN shortly. However, there are a few remaining questions to be answered. How far will the *rapprochement* go? Will Vietnam then be accepted in ASEAN? If not, what are the obstacles? How and when can these obstacles be surmounted? The sections that follow will examine the character of Vietnamese–ASEAN relations and try to answer the questions just posed.

ASEAN's Attitudes towards Vietnam's Membership

The Association of Southeast Asian Nations was founded in Bangkok in August 1967, as the last in a series of attempts to create a regional security organization. In its early days, few observers would have predicted that ASEAN would even become the vital political organization that it is today. Now, after more than 26 years, ASEAN has succeeded in building regionalism with relevance in many domains: economic, social, cultural, technical, and political.

Economically, the growth of the ASEAN countries in the past ten years has become a focus of world attention. In 1991, Malaysia registered an economic growth rate of 8.8 per cent; Indonesia, 6.8 per cent; Thailand, 7.5 per cent; Singapore, 6.7 per cent, and the Philipines, −0.9 per cent.[5] With an average growth rate of nearly 7 per cent registered during the last decade, ASEAN's gross domestic product (GDP) has doubled and it has emerged as a new centre of world economic power. The growth rate of per capita GDP in the ASEAN countries has also increased considerably. Singapore has attained a high per capita income of US$11,845; Malaysia, US$2,448; Thailand, US$1,604; while that of the Philippines remains at US$700, and Indonesia at US$638.[6] Of the ASEAN countries, Singapore is the most advanced and should now be considered a developed country. Thailand and Malaysia are also on their way to joining the club of newly industrializing economies (NIEs).

Here, it should be noted that the ASEAN countries have individually, rather than collectively, achieved their economic performance. As an organization, ASEAN has made relatively little contribution to the economic growth of its members, with a modest record of economic co-operation. At present, trade among the six member states amounts to no more than 17 per cent of their total trade and preferential tariff arrangements account for only about 2 per cent of intra-ASEAN trade. But ASEAN has built structures which can be used for future economic co-operation among its members. During the fourth Summit meeting in Singapore in July 1992, the heads of governments of the ASEAN countries agreed to implement the ASEAN Free Trade Agreement (AFTA), under which tariffs on all goods with 40 per cent or more ASEAN content would fall to 0–5 per cent by 2008.[7] This is considered to be a first step towards an ASEAN Common Market and is meant to meet the threat of increasing protectionism in Europe and America.

Politically, since the 1970s ASEAN has shown a high degree of cohesion and diplomatic accomplishment. ASEAN's success in the political field can be characterized in two ways. Firstly, it has been successful in providing its members with a stable structure of relations for managing and containing tensions. Although the Association has not yet been able to settle all bilateral disputes among its members, since 1967 no war or armed conflict has broken out. This, in turn, has created a basis for strengthening their common security and economic co-operation. Secondly, ASEAN has succeeded in attaining notable international prestige as the "speaker" of the region on regional issues. Since the mid-1980s ASEAN's foreign ministers have held annual consultative sessions with their counterparts from the USA, Canada, Japan, Australia, New Zealand and the European Community (on bilateral issues) and, since 1992, South Korea, China and Russia have become involved as well. In relation to the Cambodian issue, from 1979 to 1989 ASEAN successfully kept it in the international limelight. By ensuring consensus on regional issues, ASEAN has made contributions to establishing itself as a recognized international actor.[8]

ASEAN's durable success has attracted much attention in Hanoi. In the view of the Vietnamese leadership, it would be beneficial to join ASEAN for two reasons. Economically, the ASEAN countries could help Vietnam with investments, economic co-operation and suitable technology. Of course, Vietnam must look to Japan, South Korea, Taiwan, Hong Kong and the United States as its main current and potential sources of investment and most important trading partners but, still, the ASEAN countries can contribute significantly to Vietnam's economic development if for no other reason than sheer proximity. Politically, due to ASEAN's high international prestige, ASEAN membership would enhance Vietnam's diplomatic standing and integrate Vietnam's security with the security of the whole of Southeast Asia, thus creating an external environment favourable for economic development.

Proceeding from this "new outlook", Vietnam has officially applied for ASEAN membership and its request is being considered by the ASEAN countries. It should be mentioned that this is not the first time the question of Vietnam's ASEAN membership has been raised. It is still remembered that in the founding Declaration made in Bangkok in August 1967, the ASEAN countries stated that "the Association (ASEAN) is open for participation by all states in the Southeast Asian region subscribing to the Association's aims, principles and purposes". Theoretically, countries in the region such as Vietnam, Laos, Cambodia and Burma (Myanmar) should therefore be accepted as members as soon as they accept these "aims, principles and purposes". After the signing of the (Paris) "Agreement on Ending the War and Restoring the Peace in Vietnam", reached in January 1973 between Vietnam and the United States, the ASEAN foreign ministers proposed that the organization be expanded in due course to include all countries in Southeast Asia (as anticipated in the Bangkok Declaration), and that ASEAN should participate in the rehabilitation of Vietnam and the rest of Indochina.[9] This proposal, however, was quickly rejected by Vietnam who at the time alleged that ASEAN was a new version of SEATO (Southeast Asian Treaty Organization) and a puppet of U.S. imperialism. This rejection was supported by the fact that during the Second Indochina War troops from some ASEAN countries (the Philippines and Thailand) were serving in Vietnam. After the conquest of Saigon in 1975 there was a temporary improvement in relations between Vietnam and the ASEAN countries. Among the latter, some were fearful that Vietnam's victory would make the "domino theory" a reality. They thought that improving relations with Vietnam would "neutralize" its attempts to "conquer" the whole of Southeast Asia. Still, Malaysia proposed to provide Vietnam with US$400,000 for a rubber plantation project, and by 1976 Vietnam had established diplomatic relations with all the ASEAN countries. Then the ASEAN countries tried to persuade Vietnam to accept the ZOPFAN (Zone of Peace, Freedom and Neutrality) concept but this was rejected by Hanoi because of disagreement as to the meaning of "genuine independence". Thereafter, tension grew between Vietnam and Cambodia as well as between Vietnam and China. Because of this change, by late 1978 Vietnam was willing to drop its earlier reservations and discuss the ZOPFAN concept with the ASEAN countries. During his visit to the region in September and October 1978, Prime Minister Pham Van Dong offered Vietnamese accession to the Treaty of Amity and Cooperation (the Bali Treaty, signed by the ASEAN countries in 1976). But Vietnam's approaches were not accepted by the ASEAN countries who were concerned about the close relationship between Hanoi and Moscow and hoped to take advantage of disputes among the Asian communist states.

In 1979, Vietnamese leaders decided to send troops to Cambodia to overthrow Pol Pot's genocidal regime — an action that may have been justified morally[10] — but was strongly resisted by the ASEAN countries whose commitment to regional order was based upon the territorial status quo. The presence of Vietnamese troops in Cambodia violated — in ASEAN's view — ASEAN's non-aggression principles as enshrined in the Bali Treaty. For ten years from 1979, the Cambodian issue dictated and aggravated Vietnamese–ASEAN relations but also served as a glue in holding the ASEAN members together. Malaysia and Indonesia also kept within the fold although they have always viewed China, not Vietnam, as the predominant threat to the security of Southeast Asia. Thailand, with its long common border with Cambodia, saw the Vietnamese presence as an immediate dangerous threat. Singapore — a small, predominantly ethnic Chinese city-state located between Indonesia and Malaysia — also strongly opposed Vietnam for its fear this might set a precedent for similar actions by Indonesia or Malaysia in the future. Ironically, commercial relations between Vietnam and Singapore gradually increased despite the political tensions. In 1984, Singapore was already one of Vietnam's biggest trading partners, with bilateral trade exceeding US$100 million. The Philippines, whose security was guaranteed by the United States and who was preoccupied with severe domestic problems, had to demonstrate cosmetic agreement with the other ASEAN countries. Thus, it can be said that ASEAN's hostility towards Vietnam at that time was really only in the interest of Thailand, but the other ASEAN countries had to speak with one voice on the Cambodian issue in order to preserve the consensus principle and to support the Thais.

Vietnam's complete withdrawal from Cambodia in 1989 was an indication that Vietnam recognized the principle of the regional status quo.[11] This also meant that from then on the ASEAN countries would have to cope with new challenges to the Association's future now that the "Cambodian glue" had been dissolved. Many ASEAN countries now saw Vietnam as no longer posing a threat to their security, but instead possibly playing a positive role in enhancing regional security. At the twenty-fifth annual meeting of foreign ministers of the ASEAN countries held in Manila in July 1992, Vietnam and Laos signed the Bali Treaty and obtained observer status in ASEAN. The Bali Treaty emphasizes respect for political independence and territorial integrity, non-interference in domestic affairs and renunciation of the threat or use of force in interstate relations as well as measures for the peaceful settlement of conflicts between countries in the region. In terms of security, because of the lack of a common security arrangement among the ASEAN countries, it might be understood that, with Vietnam's accession to the Bali Treaty, Vietnam's security has since been integrated into the security of the whole region.

With the end of the Cold War, the United States and Russia have been withdrawing their military forces from the region: Russia has removed most of its warships from Cam Ranh Bay, the United States has closed its Subic Bay naval base — the largest U.S. base abroad — and has committed itself to withdraw a tenth of its military personnel from the Western Pacific by 1995. This, therefore, has aroused fears among the ASEAN members that countries such as Japan, India and particularly China may jump in to fill the "security gap" and may cause instability harmful to regional security and economic development. This perception did not arise during the conflict in Cambodia, since the United States, China and Japan were aligned together with the ASEAN countries against Vietnam and the Soviet Union. Among the emerging factors, in ASEAN's prevailing viewpoint, Chinese expansionism has become the most salient issue. In the past three years, China's official defence budget has grown markedly (by 60 per cent according to some estimates), and the military's new investments have enhanced China's ability to project power beyond its borders: a rapid deployment force, air-refuelling equipment for China's new Su-27 fighters, "blue water" naval systems such as surface-to-surface missiles and electronic warfare technology, and advanced missile guidance equipment.[12] China has indicated interest in purchasing the 67,000 ton aircraft carrier *Varyag* from the Ukraine and if this comes to pass it would greatly enhance China's naval strength. Furthermore, on 25 February 1992, China passed a maritime law which defined the waters around the Paracels (occupied by China since 1974 but still claimed by Vietnam) and the Spratlys (whose sovereignty is disputed by Vietnam, China, Taiwan, the Philippines, Malaysia, and Brunei) as Chinese territory. For the ASEAN countries, China seems the only state likely to use armed force to take control of the Spratlys — a position from which China may pose a threat to the security of all the ASEAN countries. It is still fresh in everyone's mind that China twice used armed force in the South China Sea (in January 1974 and March 1988). So far, China's proposal to develop the Spratlys jointly, "putting aside for the time being the question of sovereignty",[13] and its conciliatory attitude towards the Declaration on the South China Sea, made by the ASEAN Foreign Ministers in Manila in July 1992, have reduced these fears. But time will tell if China's words and deeds are in concord.

Some in the ASEAN countries think that Vietnam, with its geographical proximity to China, might serve as a "buffer zone" between China and the ASEAN states and thus prevent China's ambitions from threatening the ASEAN members directly. After the Cheng Du meeting between Vietnamese and Chinese leaders in 1990, some ASEAN countries were concerned about a possible Sino-Vietnamese alliance with a return to the "lips and teeth" relationship of the past, and this — if it becomes reality — might affect the security of the whole region. The ASEAN countries were fearful that Vietnam's economic difficulties and political isolation might lead it to tie itself to China, and so the ASEAN states did their best to try to distance Vietnam from China. Malaysia and Indonesia thus urged the United States to lift its embargo against Vietnam.

Since 1989 the ASEAN countries have increased their trade with and investment in Vietnam and this, in turn, has created greater interdependence between them. ASEAN has welcomed Vietnam's "new outlook" on foreign policy, with priority devoted to relationships with its neighbours. They have also encouraged Vietnam to become further integrated into the region.

Although there has been significant improvement in relations between Vietnam and the ASEAN countries, the latter have not yet reached a consensus on accepting Vietnam as a new member. Here are some of the reasons:

— ASEAN's regionalism was shaped by the Cold War and the Cambodian issue. With the end of the Cold War and the removal of the "Cambodia glue", the cohesion and shape of Southeast Asian regionalism is in transition. There are some in the ASEAN countries who argue that Southeast Asian regionalism should be expanded to include the Indochinese states since they are moving towards market economies and are committing themselves to the region's territorial status quo. Within ASEAN, many now recognize the need to transform the Association from a sub-regional to a truly regional organization. ASEAN is no longer a relevant instrument to meet new challenges. Therefore, Vietnam should not necessarily become an ASEAN member but should be part of a new regional organization of which ASEAN is the nucleus. At the present time, they encourage more mutual understanding as well as bilateral and multilateral relations within the framework of the Bali Treaty before further steps are to be taken.

— Throughout the twenty-six years of co-operation, the ASEAN countries have formulated certain procedures and conventions aimed at stimulating an interactive process among its six members. During annual foreign ministers' meetings, they have reached consensus on important issues, such as the Cambodian conflict, economic relations with major trading partners, as well as certain regional security issues. The same consensus has not yet been reached on Vietnam's request for ASEAN membership. Indonesia and Malaysia appear to look favourably on that request but among the other members there are differing assessments of the role Vietnam is likely to play in the Association.

— The ASEAN countries have been through a long-term process of co-operation during which certain achievements in the field of economic and political co-operation have been recorded. Within ASEAN, some have come to the conclusion that their achievements were partly due to organizational stability. They fear that an extension of membership will create dramatic changes in the Association harmful to its consolidation. That is why they favour maintaining the organizational status quo.

- Although there has been a certain degree of economic growth in Vietnam as a result of the renovation launched in 1986, there is still a big gap in economic performance between Vietnam and the ASEAN countries. Moreover, there exist differences in terms of ideology and political system.
- Another important point is that the ASEAN countries have to consider their relations with Vietnam in the context of relations with China and the United States (in other words, Vietnam's merging with ASEAN should not adversely affect relations with China and the United States).

In short, although there are still some reservations about Vietnam's membership, and this is understandable given the history of less than cordial relations between Vietnam and the ASEAN countries, the prevailing view is that it would not be in the region's interest to let Hanoi drift and, indeed, ASEAN's foreign ministers have suggested that Vietnam might be admitted in five years' time.[14]

Some Considerations from the Perspective of Vietnam

Vietnam's renewed efforts to improve its relations with the ASEAN countries should be seen in the context of its efforts to diversify relations with all countries in the world, with priority given to neighbouring countries. As Vietnam is located between China and the other Southeast Asian countries, it considers its relations with China as equally important as its relations with the ASEAN countries. Vietnamese history shows that one-sided relations have led to political isolation and economic difficulties. Therefore, it is now not siding with China to exert pressure on the ASEAN countries, or vice versa. While improving relations with the ASEAN countries, Vietnam has also normalized and improved its relations with China. Both Vietnam and China have expressed their desire to improve bilateral relations on the basis of peaceful coexistence.[15] This means that there will not be a return to the old Sino–Vietnamese alliance. It is Vietnam's hope that friendly Sino–Vietnamese relations will contribute to peace and stability throughout Southeast Asia. Although some ASEAN countries still worry about China and want Vietnam to join their efforts to prevent possible Chinese expansionism, it is not Vietnam's intention to side with ASEAN against China. Vietnam's request for ASEAN membership should be seen in the context of its even-handed policy towards both ASEAN and China and this, in the final analysis, is also in China's interest.

Therefore, Vietnam's ASEAN membership should be achieved in a way that would strengthen instead of harm Vietnam's relations with China.

Apart from its relations with China, there are some other considerations Vietnam should take into account before becoming an ASEAN member. What can Vietnam gain and what would it lose by joining ASEAN now?

Firstly, ASEAN is not a security organization. No common security arrangements exist among its members. There are only bilateral security agreements among its member states and between these and external powers (for example, the Defence Treaty between the Philippines and the United States, and the Five-Power Defence Arrangements among Malaysia, Singapore, Australia, New Zealand and the United Kingdom). The ASEAN members (if now expanded to include Vietnam and Laos) are only bound by the non-aggression principles enshrined in the 1976 Bali Treaty. As an organization, ASEAN does not provide its members with any kind of collective defence.

This means that after Vietnam's accession to the Bali Treaty, it — at least formally — will enjoy the same regional security commitment as the ASEAN members themselves. Therefore, in terms of security, Vietnam cannot expect more effective protection from ASEAN after having become a member.

Secondly, as discussed in the previous section, the ASEAN countries have recorded economic achievements individually, so that at least in the immediate future Vietnam should not expect to reap economic benefits from ASEAN membership. The Philippines' economic difficulties have shown that ASEAN membership is not necessarily conducive to solving economic difficulties.

Thirdly, some are also concerned about the difference in economic development between Vietnam and the ASEAN countries, but there should be no reason for such concern as there is also a big gap in economic performance among the ASEAN countries themselves.

Fourthly, ASEAN has always sought to establish consensus on all major issues. Accordingly, by joining the Association Vietnam would also have to seek consensus with the other ASEAN states on policies towards the major powers. Before joining ASEAN, the Vietnamese Government should first reach internal consensus on what this actually means.

In general, in view of what Vietnam can gain from ASEAN membership, there is increasingly greater consensus in Vietnam on the need to be an ASEAN member. Recent positive results of Vietnamese economic reform, the thawing in relations with the United States, normalized relations with China as well as improved relations with the ASEAN countries, are all making membership possible.

Conclusion

Although there are still some concerns on both sides, in the final analysis, Vietnam is likely, sooner or later, to become a member of ASEAN. This is not only in the interest of both sides but also of the whole of Southeast Asia. At the present time, Vietnam and the ASEAN countries will need to develop a good mutual understanding before further steps are taken along the road to eventual membership. After all, it took Brunei six years to become a full member of ASEAN; in the case of Portugal and Spain, it took them from ten to twelve years (and the adoption of democratic constitutions) to become full members of the European Community.

In the short term, the improvement of bilateral and multilateral relations between Vietnam and the ASEAN countries in the framework of the Bali Treaty are satisfactory to both sides. But in the long term, when the two sides have reached a certain level of mutual understanding, then Vietnam, Laos and Cambodia should join ASEAN as members, and all at the same time.

NOTES

* The author's views in this article are wholly his own and do not represent those of the Vietnamese Government, nor those of the organization for which he works.

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Patterns of Chinese Political Participation in Four ASEAN States*

LEO SURYADINATA

There is formal and informal political participation among the Chinese in the ASEAN states. Formal political participation has occurred, among other ways, through ethnic party (for example, in Malaysia), multi-ethnic party (for example, in Singapore) or "assimilated political party" (for example, Soeharto's Indonesia and the Philippines) processes. Informal participation, on the other hand, includes activities in non-political organizations and pressure groups. However, patterns of political participation by the Chinese has differed from country to country depending on the nature of the state and the size of the Chinese community. In reality, there is always a combination of one type of formal participation and informal political participation.

Introduction

The Chinese in Southeast Asia have been interested in politics, not only in China but also in their adopted land. However, the patterns of their participation differ, depending on the period and country where they reside.

This article attempts to identify these patterns with special reference to four ASEAN states. The emphasis will be on the post-war era, after the ASEAN states achieved their independence, when Chinese participation in local politics became more apparent. Due to lack of adequate information on Thailand, the article will only discuss the situation in Indonesia, Malaysia, the Philippines and Singapore.

Pre-World War II Period

Before the nineteenth century, the number of Overseas Chinese in Southeast

Asia was small and many of them were fairly integrated with local society. They were often involved in the struggle between the local population and the colonial powers.[1] The mass immigration of the Chinese took place only in the nineteenth century when the European countries began to exploit the region. The Chinese, as new immigrants, had their own separate communities and considered themselves as sojourners. It is not surprising, therefore, that they were oriented towards China and were eager to participate in politics in their homeland. Thus, China-oriented politics was their major preoccupation in those days.

At that time, the Southeast Asian states were not yet independent, and the majority of the Chinese were still Chinese nationals. Some, however, had dual nationality status as they were Chinese nationals as well as subjects of the Western colonial powers. These Chinese often got involved in local politics. The *Baba* in the Straits Settlements and the *peranakan* Chinese in colonial Indonesia were two examples.

Post-World War II Period

However, with the independence of the Southeast Asian states, a majority of the so-called Overseas Chinese became nationals of their adopted land. They no longer considered themselves as sojourners. Naturally, many of their leaders were eager to participate in local politics in order to protect their interests. There are two types of political participation: one is formal participation through political parties while the other is informal participation through non-political organizations or pressure groups.

With regard to formal political participation, three patterns can be discerned. The first pattern is through the establishment of ethnic Chinese political organizations, the second is through participation in "assimilated parties", and the third is through multi-ethnic parties.

It appears that the patterns of Chinese political participation largely depend on government policy in the four ASEAN states. If the government introduces an "assimilationist" policy, no ethnic parties are established and Chinese participation tends to follow two patterns: formal participation through non-Chinese parties, that is, assimilated parties, and informal participation through the establishment of pressure groups. Indonesia under President Soeharto, and the Philippines are states which follow this pattern.[2]

However, if the government policy is accommodationist or pluralistic, ethnic-based parties are allowed to be established and political participation can be either through ethnic parties (for instance, Indonesia before 1966 and Malaya/Malaysia since independence) or multi-ethnic parties (for instance, Singapore), depending on the ethnic Chinese situation in the country concerned.[3]

If the objective of participation through ethnic or multi-ethnic parties is clear, that is, to promote ethnic group interest (or personal interest through ethnic channels), the objective of participation through assimilated parties is less conspicuous. In the assimilated parties, it is difficult, if not impossible, to emphasize ethnic interest.

Before discussing Chinese political participation, it is important to define a Chinese in the ASEAN context. Who are the Chinese? Should those who have "assimilated" still be considered Chinese? Perhaps the best way to answer the question is to use the perspective of the "indigenous" population. A person is still Chinese if he or she is considered as such by the indigenous groups.

In Indonesia and Malaysia, for example, where the nation is often defined in both racial and cultural terms, it is easier to define who the Chinese are. Both the *totok* and the *peranakan* are often regarded as Chinese by the indigenous Indonesians, despite a high degree of Indonesianization among the *peranakan*. In fact, many *peranakan* have changed their Chinese names to Indonesian-sounding ones. In Malaysia, the Chinese are easier to identify because they still retain their surnames. Even the *Baba (peranakan)* who are culturally mixed have been clearly identified as Chinese.[4]

However, in Thailand and the Philippines, a national is defined in cultural rather than racial terms. Chinese descendants are often considered as either Thai or Filipino once they are acculturated. Therefore, some may argue that discussion on Chinese political participation should exclude this category of people.

Accordingly, this article will focus on the groups which are still considered "Chinese" by the indigenous population. Nevertheless, it is sometimes difficult to ascertain whether the Chinese have been completely assimilated or acculturated, and therefore, there may be some ambiguity in this discussion.

Four Cases from the ASEAN States

Indonesia

The Chinese in Indonesia form less than 3 per cent of the total population and are an absolute minority. However, they are not homogeneous as, culturally, they can be divided into *peranakan* (Indonesian-born and Indonesian-speaking Chinese) and *totok* (Chinese-speaking Chinese, mainly China-born).

In the past, *totok* Chinese were influenced by the politics in China. They sent their representatives to Kuomintang China and, later, to Kuomintang China in Taiwan and Communist China in the mainland. The *peranakan* Chinese, however, were more concerned with Indonesian politics.

When Indonesia proclaimed its independence in 1945, the *peranakan* Chinese formed various organizations to look after their interests. The Partai Tionghoa Indonesia, a pre-war party, was renamed the Partai Tenaga Baru (Union of Indonesian Forces, 1950) and became a multiracial party, but it failed to develop because the concept of a multiracial party was not yet popular among the Chinese. The Chung Hwa Hui, which was formed before World War II and banned during the Japanese occupation, was not revived. However, some of its leaders established the Persatuan Tionghoa (Chinese Union) in 1948, which was later renamed as Partai Demokrasi Tionghoa Indonesia (PDTI, Indonesian Chinese Democratic Party). It became a major Chinese association in the early post-World War II period.

However, in 1955 when the first general election in Indonesia was to be held, various ethnic Chinese parties (including PDTI) decided to form a new organization, known as Baperki (Badan Permusyawaratan Kewarganegaraan Indonesia, or Consultative Body for Indonesian Citizens). In theory, the organization was not based on ethnicity, but in practice, it was known as the organization of the Indonesian Chinese. There were few indigenous Indonesian members. The organization, which was formed in 1954, was concerned with ensuring equality for all Indonesians, including those of Chinese origin.[5] The Baperki not only established Indonesian-medium schools for *peranakan* children but also participated in the general elections. It was the largest Indonesian Chinese association before the 1965 coup. It also established a large *peranakan* university in Jakarta.

The most prominent Chinese political leaders of Baperki during this period were Siauw Giok Tjhan (1914–81) and Yap Thiam Hien (1913–89).[6] Siauw was a journalist who had received a Dutch secondary education. However, he was exposed to the left-wing movement in Indonesia and was suspected of being a member of the illegal Indonesian Communist Party (PKI) before World War II. After the war, he became the director of the *Harian Rakjat* before it was officially taken over by the PKI. He believed that the so-called Chinese problem could only be solved after the realization of a "socialist society".

Yap Thiam Hien, on the other hand, was a devout Christian who disagreed with Siauw's socialist solution. Trained as a lawyer, Yap was active in church activities and later, in the human rights movement. He was against authoritarian government and hence was critical of the PKI.

Nevertheless, both Siauw and Yap believed in cultural pluralism and the retention of some sort of ethnic identity for Chinese Indonesians.

A small group established an organization called the Lembaga Pembinaan Kesatuan Bangsa (LPKB, the Institute for Promotion of National Integration). Most of its leading members were Christian and they were linked with some army officers. The leader of the group, Christopher Sindhunatha (his Chinese name was Ong Tjong Hai), was a captain in the Indonesian Navy but he was a lawyer by training. The LPKB was formed to confront the Baperki.

Baperki gradually became dominated by the leftist group led by Siauw Giok Tjhan who succeeded in pushing Yap Thiam Hien aside. Baperki became closely linked to the PKI and President Soekarno. The 1965 abortive coup led to the banning of the PKI and the downfall of Soekarno. Baperki was also banned by the new authorities because of its implication with the coup. The 1965 coup also led to anti-Chinese violence in Indonesia as the Chinese were accused of supporting the PKI and Baperki. Many Chinese began to question the wisdom of joining the political movement, which was closely linked to the ruling party. Thus, for some time after the coup there was no Chinese political participation on a large scale.

Apart from Baperki, *totok* Chinese organizations such as the Qiao Zong (General Chinese Association) and the Chinese School Teachers Association were also banned. As foreign organizations, they were not allowed to get involved in local politics. These organizations tended to be more oriented towards China. Nevertheless, they were often entangled in the local political struggle.

In fact, the New Order marked the end of ethnic-based socio-cultural and political organizations in Indonesia. An "integrated politics" approach was introduced and participation in politics was on an individual rather than an ethnic group basis. Ethnic Chinese who were interested in politics could participate through indigenous political parties, namely, the government party Golkar (Functional Group),[7] the "opposition party", Partai Demokrasi Indonesia (PDI) and the Islamic party, Partai Persatuan Pembangunan (PPP).[8] However, not many Chinese were elected as Members of Parliament after Soeharto assumed power since the ethnic Chinese were discouraged from getting involved in politics. Among the Members of Parliament, there were only two *peranakan*: one was Djoko Soedjatmiko who was a Golkar representative between 1982 and 1992, and the other was Budi Dipojudo (alias Lie Po Yoe), a PNI (Indonesian Nationalist Party) representative between 1971 and 1977.

There has not been any ethnic Chinese Cabinet Minister since 1966. During the Soekarno era there had been several Chinese Members of

Parliament and a few Cabinet Ministers (for example, Tan Kiem Liong, the Minister of Revenue, Finance and Audit, and Oei Tjoe Tat, Minister of State). Even during the period of Liberal Democracy, there were at least two *peranakan* Cabinet Ministers (Dr Ong Eng Die, Minister of Finance; and Lie Kiat Teng, Minister of Health).[9] With the exception of Oei Tjoe Tat who was also a leader of the Sin Ming Hui, a *peranakan* Chinese organization, the rest were members of "assimilated parties" and hence, were not representative of the Chinese community.

However, apart from formal political parties, there are also some channels through which Chinese interests can be articulated. One institution is Bakom (the Communications Body), which was created in 1977 by the government. From the name, it is clear that Bakom's purpose is to serve as a liaising body between the government and the Chinese community. Bakom, which is under the jurisdiction of the Ministry of Home Affairs, continues to advocate the assimilation of the Chinese population. But since 1987, Bakom appears to have entertained the idea of national integration rather than assimilation in response to the revival of ethnic consciousness both domestically and world-wide. Nevertheless, Bakom itself does not advocate liberalization of ethnic Chinese politics. On the contrary, *pembauran* (often translated as assimilation), is still the official goal of Bakom. The leaders of Bakom are Sindhunatha and Harry Tjan Silalahi. Its members are very diverse and include both *peranakan* and *totok* tycoons such as William Soeryadjaya (*peranakan*) and Liem Sioe Liong (*totok*).[10] Bakom itself can also be seen as an "assimilated" group.

In addition to Bakom, the Centre for Strategic and International Studies (CSIS), a private research institute which is closely linked to the government, is often used to channel Chinese pressures. Another Chinese-dominated organization which serves as a pressure group is Prasetya Mulya (meaning Noble Promise). Formed in 1980, the organization is in fact a foundation which is aimed at helping the government in implementing social programmes. Later, it also established a management institute to train Indonesian managers.[11] Its council members include Indonesian tycoons, the majority of whom are ethnic Chinese.[12] Some of these tycoons (such as Liem Sioe Liong and Phang Djun Phen alias Prajogo Pangestu) are connected with President Soeharto's family. Many are also linked with the CSIS. Nevertheless, it is debatable how effective these pressure groups have been. It seems that they have been influential in the economic field but not in other areas.

It is clear that the Chinese in New Order Indonesia have participated in politics through "assimilated" organizations or pressure groups. Most of these pressure groups are dominated by the ethnic Chinese, although they are presented in "assimilated forms".

The Philippines

The Chinese in the Philippines form less than 1.5 per cent of the population and they are highly assimilated. Most of them have been there for generations and many have intermarried. These Chinese, often known as *mestizo*, have participated in indigenous politics. However, a large number of more recent Chinese immigrants (and their immediate descendants) are still not assimilated and are considered as foreigners. Indeed, they did not possess Philippine citizenship before the introduction of the mass naturalization scheme in 1975.

As foreigners, this latter group of Chinese did not directly participate in local politics. They tended to be more involved in China's politics, and local Chinese politics became influenced by the politics of China, resulting in their division into the pro-Taipei and pro-Beijing groups. The sons and daughters of the immigrant Chinese attempted to get away from Chinatown politics or "China politics" by reorienting themselves to Philippine society. They established a Filipino Chinese organization, Pagkaisa, but it was dissolved in 1976.[13] Apparently, China-oriented organizations became too powerful to be challenged — they were politically and financially strong because of their association with the Philippine leaders.

The most influential Chinese organization, however, has been the Shang Zong, which is the Federation of Filipino-Chinese Chambers of Commerce and Industry.[14] Formed in 1954 and controlled by pro-Kuomintang elements, the Shang Zong has been regarded as being the "most representative of Philippine Chinese interests and economic power".[15] It was the mediating institution between the Chinese and Filipino in articulating the economic and political interests of the Filipino Chinese. In recent years, however, its leadership among the Philippine Chinese communities has been unsuccessfully challenged by younger groups, one of which is the Amity Club, which is pro-China.[16]

It should be noted that the Shang Zong has always been close to the Philippine power élite. It is a well established tradition that Chinese organizations, including the Shang Zong, would support the Philippine party in power. In the 1965 Philippine presidential election, the Shang Zong supported the candidacy of Macapagal (the incumbent president of the Democratic Liberal Party).[17] When the representatives of Ferdinand Marcos, the then Nationalist Party candidate, approached the Shang Zong, they were turned down. Marcos then approached the chairman of the Tobacco Association, Gao Zuru, for support. Gao, who was a Kuomintang leader, mobilized his resources to support Marcos. After Marcos became Philippine President, Gao also became the president of the Shang Zong.[18] Because of his relationship with President Marcos, Gao gained many economic benefits. When Chinese newspapers were banned during the martial law period, Gao was allowed to publish his own Chinese newspaper.[19]

It seems that good relations with the Philippine President is seen as an important criterion for the president of the Shang Zong. During President Aquino's administration, the president of the Shang Zong was Chen Yongnian, a businessman in the steel industry. According to one source, Chen is a close friend of Aquino's family and his wife was Ninoy Aquino's nurse.[20] The current president is Yao Ronghui, who is in the tyre business. It is likely that he is also a close friend of Aquino or Fidel Ramos.

The Shang Zong is not supposed to get involved in the national politics of the Philippines, but it is public knowledge that the leaders of the Shang Zong tend to support some Philippine candidates during the elections. Nevertheless, their involvement in politics is informal and indirect. The Shang Zong can be considered as a pressure group.

After martial law was declared in 1972 but before diplomatic ties were established with the People's Republic of China in 1975, Marcos issued a Presidential Letter to introduce a mass naturalization policy for the ethnic Chinese in the Philippines. Since then, many ethnic Chinese have become Philippine citizens. As citizens, they have begun to be more involved in local politics. The reasons for their participation in local politics are many. Some Chinese leaders have argued that the ethnic Chinese need representatives in order to protect their interests. This was made possible during and after the Marcos administration because they were given citizenship and the opportunity to be elected.[21] In 1982, when there was a *barangay* election, many Chinese Filipinos contested the election.[22]

Some of the Chinese Filipinos joined the ranks of their assimilated brothers/sisters in participatory politics. Indeed, some Filipinos of Chinese descent, who were locally born and had been assimilated, participated in local politics directly but as Filipinos and not as ethnic Chinese. Their support came from the Filipino population rather than the Chinese. In other words, their platform was ethnic Filipino rather than ethnic Chinese. The political parties they joined were "assimilated" Filipino parties, not ethnic Chinese parties. As these Chinese Filipinos were highly assimilated, they did not see the need to form an ethnic Chinese party to contest the elections. Many commentators have argued that the number of these Chinese Filipinos was small and they did not represent the Chinese community but themselves. They had also lost contact with the Chinese community.[23]

However, Chinese political participation after the mass naturalization scheme appeared to be somewhat different from the past. The Chinese community wanted to be integrated into Filipino society, but they were also conscious of their Chineseness. They wanted to maintain a certain degree of their culture. They were Chinese Filipinos rather than Filipinos *per se*.[24]

Nevertheless, it is important to note that the pattern of Chinese political participation was still through the assimilated parties rather than the ethnic parties. During the Marcos era, for instance, there were three Members of Parliament in the regular Batasang Pembansa, two were with the KBL ruling party, while one was with the opposition PDP-Laban party (which later became LDP).[25] These three members were "assimilated Chinese", not new immigrants.

However, after Aquino came to power, as a result of the encouragement towards political participation, many Filipinos of Chinese descent contested the Philippine congressional elections (1987–92). Among the 120 congressmen, there were more than ten members of Chinese descent. Most of these members, including a brother and a cousin of Aquino (Jose Cojuangco and Emigdio Tanjuatco), had been culturally assimilated.[26] Very few (for example, Jose Ong and Nikki Coseteng) can still speak Hokkien.[27] All these congressmen and one congresswoman, interestingly, were elected on LDP (Fight for a Democratic Philippines) tickets. Nikki Coseteng, the only "Chinese" congresswoman, was elected as a Senator in 1992.

It is worth noting that during the 1986 presidential election, both Marcos and Aquino solicited Chinese support. Cory Aquino even made a special appeal to the Chinese voters to vote for her.[28] The Chinese community appeared to be divided. However, after Aquino came to power through the "people's power revolution", more Chinese seemed to have come forward to join politics, as shown in the number of Philippine congressmen/women representing Aquino's party.

It was reported that during the Aquino era leaders of the Shang Zong quietly supported Aquino.[29] This means that indirectly they were participating in Philippine politics. However, they became more open during the 1992 presidential election. Nevertheless, they were divided in their political orientations. Some supported Ramos, but others supported Edward Cojuangco or Miriam Santiago.[30]

It is clear that the Chinese in the Philippines during and after Marcos have been drawn into local politics and they have taken two forms of political participation. One is formal participation through joining "assimilated parties" and the other is informal participation through the Shang Zong. It is the more "assimilated Chinese" who have been able to go into politics and hold high positions, not the "unassimilated" Chinese.

Malaysia

Malaysia consists of peninsular Malaysia, Sabah and Sarawak. Since the situation in East Malaysia is quite different from peninsular Malaysia, this discussion will focus only on West Malaysia.

Malaysia is a typically plural society where racial differences are very distinct. Some writers call this a deeply divided society. The Malays in peninsular Malaysia constitute 43.2 per cent of the population, while the Chinese form 31.3 per cent and the Indians, less than 9.8 per cent. Politics in Malaysia has also been based on ethnic division. Even before Malaya achieved independence in 1957, politics in Malaya was based on race. The Malays formed their own associations and were mainly concerned with their own community affairs, while the Chinese and the Indians did the same.

However, with the acceleration of political development in Malaya, various racial groups in the country became politically conscious. The Malays, led by Dato' Onn bin Jaafar, formed the United Malays National Organization (UMNO) in 1946, the Chinese led by Tan Cheng Lock established the Malayan Chinese Association (MCA) in 1949, and the Indians formed their Malayan Indian Congress (MIC) in 1946.[31]

In the 1950s there was a de-colonization process in Malaya and the three ethnic parties began to co-operate in order to attain political independence. However, there were different views on the nature of the political system. Before the municipal elections in 1951, Dato' Onn wanted to transform UMNO into a multiracial party but his proposal was rejected. As a result, he left UMNO and formed a new party called the Independence of Malaya Party (IMP).[32] Tengku Abdul Rahman took over the leadership of UMNO and formed an ad hoc alliance with the two other ethnic parties to contest the municipal elections in Kuala Lumpur in 1952. UMNO and its allies won 7 seats while the IMP got only 2 seats. Convinced by the correct strategy, UMNO, MCA and MIC formed a formal alliance and contested the first general election in 1955. The alliance obtained 51 out of 52 seats. The IMP encountered a total defeat and never recovered. Although the UMNO, MCA and MIC parties formed an alliance, each party maintained its own racial identity, and there was no direct membership in the alliance party. When Malaya became independent in 1957, the government adopted a racial party system.

Apart from the IMP, there were also other parties which had a multiracial base. However, these parties were either not developed or only multiracial in name (such as the Malayan Communist Party [MCP], the Democratic Action Party [DAP], and even Gerakan which are basically Chinese-dominated parties).[33]

Before the 1969 riots, Malayan politics was often described as a consociational democracy.[34] There was a grand coalition among the various ethnic parties and each ethnic group was proportionally rewarded.

However, the 1969 racial riots ended this consociational democracy.[35] Malay political dominance has become the major characteristic of Malaysian politics since then.

Chinese political participation, however, has remained basically unchanged in form except that the Malaysian Chinese are no longer primarily represented by one ethnic party. After 1969, the Chinese community became politically more divided. Apart from the MCA, Gerakan has achieved supremacy in Penang and the DAP, a Chinese-dominated but constitutionally multiracial party, is growing in strength. The DAP has developed into a significant opposition party mainly because of ethnic Chinese support. However, the dominance of the grand coalition of the various ethnic parties, UMNO, MCA and MIC, continues to be a reality of Malaysian politics. The Gerakan, a Penang-based Chinese-dominated party, has also joined the coalition which was first formed in 1970, the Barisan Nasional.

It should be pointed out that after the 1969 racial riots, the Malaysian Government wanted to restructure Malaysian society so that racial division would not coincide with economic function. The New Economic Policy (NEP) was introduced to give 30 per cent of the economic share to the Malays within twenty years (1970–90). The NEP was racially based and tended to polarize the Chinese and Malay communities. As a result, the Chinese and Malays in Malaysia became more racially conscious. In 1990 when the NEP came to an end, Prime Minister Mahathir began to relax the policy and replaced it with the New Development Policy, which downplays ethnic targets. This has significantly reduced tension in Malaysia.

Nevertheless, the Malay dominance in Malaysian politics after the 1969 riot has become more obvious than ever. There is indication that the Chinese decision-making powers have been reduced, as shown in the number of Cabinet positions held by Chinese Malaysians. However, there are still some Chinese Members of Parliament, Cabinet Ministers, Deputy Ministers and Permanent Secretaries. This is in contrast to Chinese politics in Soeharto's Indonesia where there are only two Chinese Members of Parliament and no Chinese Cabinet Minister.

One writer has argued that the 1969 riots "marked the onset of a steady process of monopolization of power by the UMNO, and the consequent relegation of Chinese politics to an increasingly peripheral position within the Malaysian polity".[36] Perhaps the position of the non-Malays in the Barisan is no longer indispensable, but it is doubtful that political stability in the country can be maintained without non-Malay participation. For one thing, the ethnic Chinese in Malaysia are sizeable in number and their strength in the domestic economy and politics is too great to be ignored. Understandably, there has been no attempt on the part of the ruling Malays to exclude the ethnic Chinese from the political arena, although Chinese participation in the political decision-making process is limited.

In recent years, there has been a rise of ethnic nationalism among the indigenous groups in Sabah. Kuala Lumpur decided to establish an UMNO branch there and accepted some USNO (United Sabah National Organization) members who were non-Malays. One may argue that UMNO is thus no longer a "pure" Malay party. However, this was merely a temporary strategy designed to cope with the situation in Sabah, and the number of the non-Malay indigenous population is small. This will not affect the situation in peninsular Malaysia where ethnic consciousness remains very strong. Ethnic-based political parties will continue to play the dominant role in Malaysia's political process.

Singapore

Singapore is also a multi-ethnic society. The Chinese constitute 78 per cent of the total population, followed by the Malays with 14.5 per cent, and the Indians with 8 per cent. Before World War II, Singapore was part of the Straits Settlements, which included Malacca and Penang as well. However, after World War II when the British proposed the Malayan Union concept, Singapore was excluded from the scheme and became a distinct Crown Colony.[37] When Malaya became an independent state in 1957, Singapore remained a Crown Colony. It attained self-governing status in 1959, and joined peninsular Malaya, Sabah and Sarawak in 1963 to form part of the newly formed Federation of Malaysia.

Soon after World War II, a group of politically conscious Straits Chinese and other non-Chinese British subjects began to organize political parties which advocated the unification of Singapore and Malaya. The first such political party was the Malayan Democratic Union (MDU). Formed in 1945 and aimed at uniting Singapore and Malaya, the MDU was a multi-ethnic (in Singapore terms: multiracial) and leftist party.[38] It was later followed by other multi-ethnic parties, such as the conservative Progressive Party (1947), the Singapore Labour Party (1948), and the People's Action Party (1954).[39]

These multiracial parties were working towards the realization of a united Malaya, independent of the British, but they disagreed with one another on the time-table of independence. Multiracial parties in Singapore appeared to be accepted because the Malays were a minority. In Malaya where the Malays were the majority, the Malays considered themselves as "sons of the soil" and wanted to have political dominance. This goal can only be achieved through an ethnic-based political party system. While the non-Malays would benefit from a multiracial system because none can claim to be indigenous and privileged, the Malays felt that they would lose out once the multi-ethnic system was introduced. This explains why a multiracial party has been able to rule in Singapore, but not in Malaya/Malaysia.

Although the Singapore Labour Party (formed in June 1954) was able to provide chief ministers in the 1950s before self-government, it was the Lee Kuan Yew and Toh Chin Chye-led People's Action Party (PAP) which eventually won the elections in 1959. The PAP split into two in 1961 over the issue of the merger with Malaya and the leftist group was expelled from the party. This latter group formed the Barisan Sosialis (Socialist Front) to challenge the PAP.

The PAP was able to defeat the Barisan Sosialis in the 1963 elections and eventually realized the dream of the merger between Singapore and Malaya. The PAP, however, decided to contest the 1964 elections in the newly formed Federation of Malaysia, challenging the other Malaysian ethnic-based party, the MCA. Annoyed by the PAP's "break of promise", the MCA and UMNO fought back. The PAP candidates lost all the seats but one. After the defeat, the PAP changed its strategy and came out with the concept of the "bargain" in opposition to the alliance.[40] It advocated the concept of a "Malaysian Malaysia" asking for political equality for all and directly challenging Malay dominance. In August 1965, the PAP was forced to leave Malaysia, leading to the emergence of the Republic of Singapore.[41]

The PAP in Singapore maintained its multiracial nature in its membership and leadership. It became a hegemonic party in the island republic for more than two decades, partly because of the mistakes committed by the Barisan Sosialis and other opposition parties. The Barisan Sosialis boycotted the 1968 elections which gave the opportunity to the PAP to sweep all the parliamentary seats. The monopoly of power by the PAP was only challenged in 1981 during the by-election of Anson where the PAP lost a seat to the Workers' Party (WP). In the 1984 general election, the PAP lost another seat to the Singapore Democratic Party (SDP), also a multiracial party. In the 1992 elections, the PAP lost four parliamentary seats (three to the SDP and one to the WP). However, the hegemonic position of the PAP remains.

In fact, ethnic consciousness became high in the 1980s, partly because of the rise of ethno-nationalism all over the world. The ruling PAP feared that Singapore politics would be dominated by the Chinese without the participation of the non-Chinese and hence would lead to political instability. In January 1987, a PAP Member of Parliament introduced the

Team MPs scheme which would guarantee the multiracial nature of Singapore politics. Lee Kuan Yew, the then Prime Minister, explained this in his 1987 National Day speech. Arguing that since the Singapore Chinese formed the absolute majority, it was probable in the future that a parliament would be made up of only Chinese MPs. He therefore suggested the Team MPs scheme (it later became known as the Group Representation Constituency [GRC] Scheme) which "would be a way of ensuring continued representation of minority races, particularly Malays in parliament".[42] Under this scheme, political parties are required to put up a team of candidates which are multiracial in composition to contest in a GRC. While the PAP argued along the line of sustenance of the multi-ethnic nature of parliament, the opposition parties suspected that it was aimed at creating hinderance for the opposition parties to contest the elections as it is not easy to come up with a multiracial team of candidates.

No doubt, the GRC system causes the Singapore population to be more conscious of their ethnicity and this may eventually destroy the multi-party system. However, one can also argue that the GRC may strengthen the present system, as it requires ethnic representation in certain constituencies where there are significant numbers of non-Chinese. With ethnic representation, Singapore's political stability can be maintained. After all, the Chinese are the dominant group in the island republic and the multi-ethnic party system has served the ruling party well.

Summary

The above discussion shows that the patterns of Chinese political participation in ASEAN differ from country to country, depending on the local conditions, and it is obvious that there is no clear-cut case. There is always a mixture of a few models, rather than a single model. For instance, in Indonesia and the Philippines, Chinese political participation has been through "assimilated political parties". However, the non-assimilated Chinese often participated in local politics indirectly through ethnic Chinese or Chinese-dominated organizations, usually in the form of pressure groups.

In the case of Malaysia, ethnic parties formed the basis of the political system. Nevertheless, there has been a presence of "multi-ethnic parties" (such as the DAP and Gerakan) but these multiracial parties have remained small. In Singapore, the multi-ethnic party system has been the basis of the political system and the ruling PAP has been a multiracial party. There is a presence of a Malay party, but this party has never gained any influence.

NOTES

* This is a revised version of a paper originally presented at the Luodi Shenggen International Conference on Overseas Chinese at San Francisco, 26–29 November 1992.

1. The 1740 Chinese massacre in Batavia (Jakarta) was an example. For a detailed study of this event, see J. Th vermuelen, *De Chineezen te Batavia en de Troebelen van 1740* (Leiden, 1938). See also Leonard Blusse, *Strange Company: Chinese Settlers, Mestizo Women and the Dutch in VOC Batavia* (Dordrecht-Holland: Foris Publications, 1988), especially pp. 73–96.
2. Thailand may also fit into this pattern, but more research is required.
3. Brunei does not fit into any pattern because very few Chinese are citizens and political activities are generally discouraged.
4. Tan Chee Beng, "The Changing Identity of Baba Melaka", *Asian Culture*, no. 15 (Singapore, June 1991), pp. 38–48.
5. For a discussion of Baperki, see Leo Suryadinata, *Pribumi Indonesians, the Chinese Minority and China: A Study of Perceptions and Policies*, third edition (Singapore and Kuala Lumpur: Heinemann Asia, 1992), pp. 65–70.
6. For a discussion on these figures, see Leo Suryadinata, *Eminent Indonesian Chinese: Biographical Sketches* (Singapore: Singapore University Press, 1981).
7. Well-known *peranakan* leaders in Golkar include Jusuf Wanadi (former name: Liem Bian Kie, law graduate), Sofjan Wanandi (former name: Liem Bian Khoen, economic graduate), Djoko Soedjatmiko (former name: Lie Giok Houw, an engineer). See Leo Suryadinata, *Pribumi Indonesians, the Chinese Minority and China*, 3rd edition (Singapore: Heinemann, 1992).
8. There are few well-known *peranakan* Chinese in the opposition party. The most outstanding is Kwik Kian Gie, a Dutch-trained economist who is a member of the PDI.
9. Leo Suryadinata, *Eminent Indonesian Chinese: Biographical Sketches*, revised edition (Singapore: Gunung Agung, 1981), pp. 3–26, 94–95, 100–1.
10. The Chinese name of William Suryadjaya is Tjia Kian Liong, while the Indonesian name of Liem Sioe Liong is Sudono Salim.
11. "Siapa Sosok di Balik Prasetiya Mulya", in *Forum Keadilan*, no. 20 (21 January 1993), p. 87.
12. The advisory board is headed by Liem Sioe Liong. It has six deputies: William Suryadjaya, Eka Tjipta Widjaya (Oei Ek Tjong) Sudwikatmono (indigenous Indonesian, Soeharto's relative), Prayogo Pangestu (Pheng Djun Phen), Susanta Lyman, and Mochtar Riady (Li Wenzheng). The Secretary is Jusuf Wanandi (Liem Bian Kie). The Executive Committee is headed by Ciputra (Tjie Tjeng Hua), and its deputy is Sofjan Wanandi (Liem Bian Khoen). The Secretary is Usman Admadjaya (Jao Yaowu). Ibid.
13. Theresa Chong Carino, "Leadership and Organization Among the Chinese in the Philippines: Continuity and Change", *Asian Culture*, no. 15 (June 1991), pp. 54–55.
14. For a brief study in English on Shang Zong and Chinese politics in general, see ibid.
15. Ibid., p. 49.
16. Ibid.
17. Gerald A. McBeath, *Political Integration of the Philippine Chinese* (Berkeley: Center for South and Southeast Asian Studies, February 1973), p. 62.
18. Ibid., p. 62. However, McBeath did not identify the chairman of the Tobacco Association. The information was given by a Chinese banker in the Philippines, November 1992.
19. Interview with a Chinese banker, November 1992.

20. Information given by a Chinese banker in the Philippines, December 1992.
21. Li Fei, "Feilibin huaren lishi xang de yige xinkaiduan", in *Feilibin Huaren Wenti Wenji* (Manila: 1985), p. 160.
22. There is no exact figure on the Chinese who became *barangay* (assembly) members and chairmen. But in Manila itself, of the 905 *barangay* chairmen in 1982, 49 persons had Chinese surnames. This means that 4.5 per cent of the *barangay* chairmen were in fact Chinese. See *Feilibin Huaren Wenti Wenji*, p. 163.
23. Ibid., p. 160.
24. It is interesting to note that in the book *Filibin Huaren Wenti Wenji*, published by *Shijie Ribao* (Manila), most of the articles talk about *yonghe* (integration rather than *tonghua* (assimilation). These Chinese writers wanted to maintain a certain degree of Chineseness rather than being incorporated into the Filipino population.
25. The two KBL members were Jesus Tanchanco (head of the National Food Authority) and Robert Ongpin (Minister of Trade and Industry), while the Laban member was Emigdio Tanjuatco Jr. (representing the Province of Rizal, and a lawyer by profession). Information provided by the Philippine-China Development Resource Center, August 1992.
26. Ibid.
27. For instance, Jose Ong and Nikki Coseteng, are still able to converse in Hokkien. Ibid. See also Wen Guangyi, "Chufang Feihua Shihui", *Huaren Yuekan*, July 1992, pp. 18–19. It should be pointed out that Nikki Coseteng (Chinese name: Xu Erqi) is a third generation Filipino Chinese, while her grandfather Xu Youchao was an Overseas Chinese mayor of Amoy in the 1930s. Nikki herself has been assimilated into Filipino culture and has worked in Filipino-dominated associations but she has continued to maintain contact with other Filipino Chinese.
28. *Huaren Yuekan*, no. 4 (Hong Kong, 1986), pp. 7–8.
29. *Yazhou Zhoukan* (*Asiaweek*, Chinese edition), 24 May 1992, p. 15.
30. Ibid.
31. After the formation of Malaysia, the MCA and MIC became the Malaysian Chinese Association and the Malaysian Indian Congress respectively.
32. R.S. Milne and Dianne Mauzy, *Politics and Government in Malaysia* (Singapore: Federal Publications), pp. 34–35.
33. For a good discussion of the failure of multiracial parties in Malaysia, see Khong Kim Hoong, "Non-Communal Parties in Malaysia", *Government and Politics of Malaysia*, edited by Zakaria Haji Ahmad (Kuala Lumpur: Oxford University Press, 1987).
34. See Arend Lijphart, *Democracy in Plural Societies: A Comparative Exploration* (New Haven: Yale University Press, 1981).
35. It is still debatable whether Malaysia was a consociational democracy before the 1969 racial riots as the concept assumes the absence of a dominant group in the system and there is a mutual veto power between the political parties. It is difficult to argue that UMNO and MCA were on par before 1969. Nevertheless, Lijphart has maintained that the political system in Malaysia after 1969 can no longer be called a consociational democracy. See Lijphart, op. cit., pp. 150–57.
36. Heng Pek Koon, *Chinese Politics in Malaysia: A History of the Malaysian Chinese Association* (Kuala Lumpur: Oxford University Press, 1988), p. 261.
37. Yeo Kim Wah, *Political Development in Singapore, 1945–1955* (Singapore: Singapore University Press, 1973), p. 12.
38. For a study of the early Singapore political parties, see ibid., pp. 87–134.
39. It should be noted that there was an ethnic-based party in Singapore — UMNO-Singapore — but it was a branch of UMNO based in Kuala Lumpur. After Singapore's

independence, UMNO-Singapore changed its name to Pertubuhan Kebangsaan Melayu Singapura (PKMS).

40. Diane K. Mauzy, ed., *Politics in the ASEAN States* (Kuala Lumpur: Marican, 1984), pp. 158–59.
41. For a brief discussion on the PAP up to 1970, see Pang Cheng Lian, *People's Action Party, Its History, Organization and Leadership* (Singapore: Oxford University Press, 1971). For a more recent study, see Chan Heng Chee, "In Middle Passage: The PAP Faces the Eighties", Occasional Paper No. 36 (Singapore: Department of Political Science, 1979); and Bilveer Singh, *Whither PAP?* (Kuala Lumpur: Pelanduk, 1992).
42. Jon S.T. Quah, "The 1980s: A Review of Significant Political Development", in *A History of Singapore*, edited by Ernest Chew and Edwin Lee (Singapore: Oxford University Press 1991), p. 395.

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The Dilemmas Facing Australia's Defence Policy

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This article identifies three problems which, it argues, are insufficiently recognized by Australian defence planners, and which tend to undermine the credibility of Australia's declared policy of regional engagement. These problems, or dilemmas, are: the declining value of the Australian–American alliance; the inadequate state of Australian defence self-reliance, including the poor prospects for Australia's defence industry; and the consistent failure to meet previously announced defence expenditure targets.

The article suggests that Australian defence policy has taken insufficient account of the regional consequences of the end of the Cold War, and that this failure has had adverse effects — in particular, on the Defence Department's programme to substantially increase defence-related exports.

Introduction

Two principal objectives form the basis of this article. The first is to provide an analysis of Australia's national security and defence policy, placing particular emphasis on problems which, because Australian officialdom ignores or discounts them, are not widely understood. Nevertheless, they may well have real effects on the credibility of Australian security policy, not excluding its regional component. The analysis also describes the changed environment in which Australian security planners must operate in the post-Cold War era and suggests that that environment has been but poorly appreciated in official Canberra.

The second objective is to examine Australian policy in the regional context. Australia is long on rhetoric about constructive regional engagement, and has indeed taken some steps in that direction. It is relevant, then, to assess the extent to which Australia is willing and (bearing in mind certain deficiencies to be identified) able to give effect to its rhetoric in this area. But the emphasis in this discussion is on several policy dilemmas which arguably undermine the credibility of Australian national security policy. The unfortunate feature is that several of these dilemmas are still perceived by Canberra officialdom as strong pillars on which current policy can be safely based. There will be relatively little of a prescriptive nature in what follows; instead, the article poses a number of questions which Australia needs to address if its security policy is to attain an acceptable degree of coherence, relevance and credibility.

Credibility is particularly important in the context of Australian relations with states in its wider strategic environment. Australia's drive to more closely integrate itself into the Asia-Pacific region necessarily has strategic and military, as well as political and economic, dimensions. But to give effect to any policy of regional engagement, Australia must first assure itself (and the region) that it has a coherent, credible and constructive national security policy in place. Here, it is argued that Australian national security policy is in part reliable, in more than a part inadequate for stated goals, and in part internally flawed. For these reasons, it is suggested that Australia is ill-equipped to make a regional military contribution commensurate with either declared policy or national potential.

In Australia there is much debate, some of it fairly unstructured, on security issues. There has been dispute about the need to put more resources into defence; some stress conflict resolution and non-aggressive force structures; others identify choices between deterrent and defensive postures, and continental versus forward defence. Some have argued against types of weapons which have a so-called offensive role.

While these are indeed legitimate issues (and some of them are addressed below) this consideration is less as a direct discussion of the matters concerned than by way of posing a number of difficult questions. In fact, this article attempts to state clearly three dilemmas which confront the Australian security establishment, and which that establishment has yet to fully recognize, let alone resolve. These are: the alliance dilemma, which focuses on the United States; the self-reliance dilemma, which focuses on sustainability and industry; and the financial dilemma.

Problems of Australian Policy

A Failure of Appreciation

Despite official rhetoric to the contrary, Australian security policy lacks a comprehensive appreciation of the nation's changing strategic environment. In fact, for years Australia has built mistakes and failings of this type into the very fabric of its system. Today, the fruits of these failings are all too apparent, in stresses imposed on the policy framework developed since the 1986 *Dibb Review* and the 1987 White Paper, *The Defence of Australia*, which is often called *DOA 87*.[2] For reasons set out below, this White Paper could well have been called "Dead on Arrival 87".

DOA 87 states a national policy which stands on three pillars. These are, first, Australia's alliance with the United States; second, the policy of defence self-reliance; and third, the commitment to devote a certain level of resources to meet planned objectives. And notwithstanding the fundamental strategic revolution which has taken place since the publication of *DOA 87*, the first two of these pillars remain — according to officialdom and government policy — as strong and reliable as ever. *Australia's Strategic Planning in the 1990s (ASP 90)*, the latest published strategic paper (endorsed by the government in late 1989, but not sanitized and released until 1991), frequently repeats *DOA 87* in all its obsolescent essentials.[3] Similarly, the Foreign Minister's 1989 paper, *Australia's Regional Security*, even claimed that, despite its economic problems, the Soviet Union would seek to play a role in the South Pacific "and can be expected to do so more skilfully than in the past" and that we could expect "continued manifestations (mostly opportunistic) of Soviet attempts to gain influence and supporters and to erode the strong pro-Western bias of the region".[4] A new strategic paper is now being written — it is expected early in 1994 — but based on past performances it is improbable that even then Australia will adequately appreciate the significance of the global strategic revolution. The government and its advisers seem irrevocably committed to the view that whereas *DOA 87* was not developed for Cold War purposes — even though it was developed in a Cold War stratregic environment — succeeding papers do not require substantial modification by virtue of the Cold War's ending. But this fails to take account of the real regional effects of the ending of the Cold War. No matter how appropriate *DOA 87* might have been, the fact remains that the strategic environment and climate which formed its backdrop no longer exist. If the environment alters, so should the policy.

Clearly, one cannot get useful answers to difficult security policy questions by starting with a preconceived framework which prevents one from accepting aspects of reality which one finds distasteful. Refusal to recognize and take account of unpalatable truths when appreciating national strategic options is full of danger and risk for anybody involved in national security. For example, the Iraqi leadership took their country into the abyss of "Desert Storm" because they refused to recognize their true situation and the willingness and superior capacity of the U.S.-led coalition to fight. Unpalatable facts remain facts, and states that do not accept them can end up paying a heavy price if their leaders, civilian or military, make the mistake of not accepting the realities of their situation.

In Australia, this failure of acceptance is characterized by the system's inability to recognize and react in a timely way to changed strategic conditions. While there are of course enduring strategic factors — in particular, geopolitical ones — for each of those there are many more that can and do vary. But Australia, like some other countries, exhibits a tendency to cling to established verities and to reject for dangerously long periods the implications of substantial change.

This phenomenon is not new; on the contrary, it has been characteristic of the Australian security establishment for decades. For instance, Canberra was slow to digest the true significance of the 1969 U.S. Guam doctrine. And it is still far too slow to appreciate its environment and draw the appropriate conclusions. From the mid-eighties, the growing weakness and fragility of the Soviet bloc and the Soviet Union became increasingly obvious. Yet, as has been seen, neither *ASP 90* nor the Foreign Minister's security statement demonstrated an understanding of the situation then emerging. The Australian establishment seemed mesmerized by the ideas of global balance, the Soviet threat and the obsolete paraphernalia of the Cold War.

The American Alliance Dilemma

The Australian–American alliance signed in 1951 (which, under the name ANZUS, formerly included New Zealand) has two dimensions. While representing a *political* commitment between the partners, it was also sold to Australia as a *military* guarantee against a resurgence of Japanese militarism and expansionism.[5] As the Cold War developed, this guarantee became one against the so-called international communist menace. Whatever the threat, for more than twenty years the alliance was presented as giving Australia a guarantee of American military assistance if it were attacked. There are numerous quotable examples of this attitude available, but for present purposes one will suffice.[6] The 1972 Australian Defence White Paper stated:

> Article IV of the ANZUS treaty is generally accepted to be the assured foundation of Australia's ultimate security.[7]

In fact, this statement was never true. Even a cursory scrutiny of the ANZUS treaty demonstrates conclusively that it does no more than commit the parties to consult if one of them is attacked. And when the United States got bogged down in Indochina, and the implications of the 1969

Guam doctrine came to be realized in Canberra, Australians began to hear less and less about this formerly iron-clad guarantee. But it was not until 1976 that this de-emphasis reached top-level policy, with the Fraser Government White Paper of that year noting that it would not be "prudent" to expect American combat help "in all circumstances".[8] In September 1983, the new Hawke government conducted a review of ANZUS which recognized explicitly that: "a range of responses might be available" but that "it would be up to the other partners (that is, if Australia were seeking aid, the United States and [at that time] New Zealand) to judge which response would be appropriate".[9]

Three years later, the *Dibb Review* said bluntly that "there are no guarantees inherent in [the alliance]".[10] In fact, that was always the case, and remains so today. Nevertheless, *DOA 87* retreated somewhat from this position, stating that the U.S. relationship "gives confidence that in the event of a fundamental threat to Australia's security, U.S. military support would be forthcoming".[11]

Trying to make a virtue out of a deficiency, Australian officialdom argues that even if there is no security guarantee *per se*, Australia has the next best thing: guaranteed access — via a Memorandum of Understanding (MoU) — to American logistic and equipment support if attacked. But again, if one only takes the trouble to read the fine print in the relevant agreements, this also is not true. The documents say in effect that the United States *might* supply Australia with various items, and bind Washington to do nothing other than consider the provision of assistance. In the cold light of day, the American alliance guarantees neither Australia's security, nor its access to supply in time of conflict.

It might be objected that the preceding argument, relying as it does on a strict reading of the relevant documents, is excessively legalistic and that whatever the formal documents say, America would not leave Australia in the lurch. And maybe that is true. But if Australia is to rely on a *maybe* for important support of national security policy, then the national security effectively becomes a matter of probability and faith. Faith is not an appropriate foundation for the security of any state.

The fact is that the American presence, the deployable U.S. military capability, in Southeast Asia has been reducing steadily ever since the defeat in Indochina. The closure of Clark Field and Subic Bay bases in the Philippines is merely the most recent, though not the least significant, event in a process which has gone on since about 1970 and accelerated markedly after 1988. While diplomatic representations may retard this process, they will not reverse it. In this respect at least, the American strategic withdrawal from Southeast Asia is comparable to that of the British from east of Suez two decades previously.

This development stems from the end of the old world order. So long as the Soviet threat was credible to the American people, the political climate was always more or less favourable to defence spending. The fall of the Soviets removed this favourable background, forcing the entire U.S. defence establishment, not just that portion directly confronting the Soviets, to seek funds in a suddenly uncongenial climate. This climate, and the domestic budget problem (itself partly the result of the excesses of the Reagan Administration's grandiose defence plans),[12] have combined to exert downward pressure on the defence vote. Like Britain, the United States can no longer afford the outlays necessary to maintain in future the military power it formerly deployed to or reserved for Southeast Asia. While it persists, the coincidence of these factors has implications for U.S. military power.

Regional countries, including Australia, are trying hard to entice the United States into maintaining real military power and commitment in the area and, as noted below, some respected regional leaders foresee serious consequences if this effort fails. This subject will be discussed again, but even if one has faith in the Americans, declining American power in and commitment to Australia and its region is a fact. Faith will defend neither Australia nor the region. It takes credible policy backed up by appropriately capable forces.

Thus, the American alliance in its military dimension is likely to become of decreasing credibility or utility for Australia. Similarly, and despite U.S. rhetoric and token deployments, the varying degrees of association with Washington enjoyed by some regional states will in all probability deliver less as time goes on.

It is true that even with the military credibility of ANZUS in decline, there remains a *political* commitment between Canberra and Washington. This commitment is often referred to by Australian supporters of the alliance as a source of additional influence in Washington. But that too is now being undermined by gradually escalating trade tensions between Canberra and Washington, perceived by the former as largely of the latter's making. In particular, during the past six or seven years sales of subsidized American grain into established Australian markets under the Export Enhancement Programme have damaged the primary industry sector, causing even politically conservative groups such as the National Farmers' Federation to advocate use of the alliance (for example, by threatening the tenure of American facilities in Australia) to force changes in U.S. trade policy. Neither a campaign of political as well as industry delegations to Washington, nor government-level representations, have achieved any concrete gain for Australia, giving the lie to claims that Australia has some special degree of influence over the United States. That Australia has better access than some to American officials and leaders may well be true, but it has learned the hard way that access does not necessarily imply influence. And recently, there have been problems involving the allocation of profitable airline routes between the United States and Australia via Japan.[13] Cracks in the hitherto monolithic support for the U.S. alliance on the right of Australian politics show that pressures against it are growing in Australia. The voice of the Australian political left is no longer raised alone against the United States alliance.

Thus, the alliance pillar of Australian security policy now shows signs of instability and unreliability. Notwithstanding decades of propaganda to the contrary, ANZUS never was a real security guarantee and certainly does not offer one now. If Australia desires security of the order only a superpower can provide, it will never feel truly secure. Such desires, evident despite the conspicuous absence of any readily apparent threat, and manifest geographical and other advantages which greatly hinder any would-be aggressor, highlight the unreality of some Australian security aspirations.

Of course, given the assumptions of existing Australian policy, the realization that there are no effective security guarantees automatically implies a greater need for credible self-reliant defence. This is the second pillar of Australian policy, and confronts Canberra with another unacknowledged dilemma.

The Dilemma of Self-reliance

Self-reliance is self-explanatory. It means that the Australian Defence Force (ADF) has to be credible in the defence of Australia and that it should minimize dependence on others for direct combat assistance and necessary *matériel* in time of conflict. Self-reliance does not imply self-sufficiency — such a goal is of course unachievable — but if it is to mean anything, it surely requires that Australia be able to conduct military operations in response to credible threats without depending on uncertain sources of support.

In the last decade or so, Australia has made significant progress with force structure flexibility. Until relatively recent times, the ADF was only designed to operate as part of larger allied forces. In the sixties, Australia had almost no independent operational capacity and in any event, lacked the command structure to support it. Now, however, the ADF's major equipment inventory and command structure seem far more credible in support of a self-reliant policy: the ADF no longer has to operate as the adjunct of forces from more powerful states.

Nevertheless, it remains a deceptively reassuring overstatement to assert that the ADF is close to being "self-reliant". Though force structure and command arrangements have matured, in terms of war-stocks required if Australia ever has to deploy combat forces to defend vital security interests, self-reliance is still far away. The extensive list of equipment the Royal Australian Navy had to acquire in haste to deploy for the Gulf War — its first combat deployment since the Indochina War — illustrates the point.[14] In fact, Australia is self-reliant so long as it does not have to fight for any length of time. If it does, Australia will require access to external resupply if it is to avoid defeat as vital stocks are exhausted.[15] A recent Australian parliamentary inquiry into ADF stockholding concluded that, notwithstanding the pointed observations made by Paul Dibb in 1986, much needs to be done by the ADF before its stockholding policy adequately reflects readiness and sustainability requirements.[16] However, *DOA 87* openly admitted that stocks are held at low levels because of what Minister Beazley called when tabling the document, in the face of all evidence to the contrary, Australia's "guaranteed access" to U.S. supply.[17] The complacency of this attitude is disturbing.

The Problem of the Australian Defence Industry

In official policy, Australia's defence industry is intended to be the underpinning of self-reliance. To the extent that it can produce or maintain *matériel* locally, Australia is independent of external sources of supply. Industry supplies the sinews of warfare. In the words of an important government report, *Defence Policy and Industry* (released in November 1992), also called the *Price Report*:

> Industry has an important part to play in Australia's defence policy of self-reliance. The . . . [Services] act as the first three vital arms in the defence of our nation, with industry helping to ensure that the ADF is well equipped and supported with the most modern equipment available. . . . defence industry can therefore be seen as the important "fourth arm" helping defend Australia.[18]

Australian governments have long recognized that economic scale factors make the task of Australian defence industries particularly difficult. The indigenous market for defence equipment is generally too small to sustain economically viable production runs. For this reason, in 1988 the government accepted the recommendations of Robert Cooksey's report on defence industry and exports, which proposed that Australia should be exporting about half a billion dollars worth of defence equipment and services annually in five years — that is, by 1993.[19] It was believed that, while the fortunes of individual sectors or firms would naturally fluctuate, overall profits from these exports would keep the local industry base generally healthy, thereby enhancing the fundamental degree of ADF self-reliance.

However, an event unanticipated by Cooksey and the government has rendered this strategy incapable of achievement. The Cold War ended, and major defence manufacturers world-wide were abruptly confronted with a steep decline in demand. In 1991 world military expenditures fell for the third year running; in 1989 it had fallen by 4 per cent, in 1990 by a further 5 per cent and in 1991 by about 2–3 per cent. Global defence trade — the trade in weapons and equipment — fell even more sharply, by 25 per cent in the single year 1991.[20] Many Western states have surplus equipment and continuing production for sale. Much of the ex-Soviet arsenal is also now on the market, and many factories in the former Soviet Union and its former satellites are still producing Warsaw-Pact-type weaponry to be sold at bargain-basement prices for desperately needed hard currency. Germany has already made a significant sale of ex-East German naval equipment to Indonesia, and Russia is finalizing its deal to sell MiG-29s to Malaysia. Globally, there has been an increase in the supply of equipment at the same time as demand is falling away, creating a buyers' market. And it is into this suddenly difficult market that Australia seeks to sell substantially increased quantities.

It will come as no surprise, then, that in 1991–92 — the last year for which official figures are available — instead of exporting half a billion dollars worth, Australia approved defence export applications worth only $187 million.[21] But given that $70 million of these approvals was for so-called "temporary" exports (for example, returns of goods sent back to Australia for repair, or under warranty, or returns of items brought to Australia for demonstration purposes), even this number is deceptively high. Excluding these "temporary export" approvals, Australia's approved 1991–92 defence export applications amounted to $117 million.[22] In fact, because some of the deals for which approval was given did not go through to completion, the industry did not export to the value of these approvals. Thus, actual defence exports for 1991–92 amounted to only about $90 million and, as an official Defence Department presentation to a major conference held in Sydney in April 1993 shows, even this figure overstates the situation:

> We need to realise just how modest our current defence related exports to the region are.
>
> Australia's total exports of controlled defence products is some $90m. Of this, less than 10% goes to South East Asia. This is equivalent to 0.1% of the ASEAN defence budget....

- Approximately one-third of our defence exports comprised sporting firearms and ammunition having little to do with defence industry. Another \$28m resulted from offsets activities and \$15m from the Defence Cooperation Program.
- This leaves some \$17.5m of "real" exports.[23]

This is as stark an admission of failure as is ever likely to emerge from the Australian defence bureaucracy. Less than \$20 million in "real" defence exports is a far cry indeed from half a billion. In this way, the 1988 strategy for creating a viable defence industry infrastructure based on exports has miscarried. The *Price Report* admits the failure to meet Cooksey's targets, and is currently not guilty of exaggeration in recognizing "continuing risks" to export growth.[24] Apart from niche markets in which Australia has particular skills and expertise, its defence industry is not self-sustaining. On the contrary, there are likely to be substantial demands on the government for subsidies and subventions of various kinds, placing further pressure on the defence vote. This process has already begun. For example, when the government corporatized the then Office of Defence Production (ODP, a division of the Defence Department which ran the government defence factories) into the government-owned firm, Australian Defence Industries (ADI), the latter was expected to repay to the government the value of the plant, equipment and other assets it acquired from the ODP (\$440m). This became a substantial ADI debt to the government, and ADI, hampered by this burden, eventually (in 1993) persuaded the government to adopt a debt-to-equity conversion for a substantial proportion of the debt. This had the effect of writing off a substantial liability or, to put it in another way, ADI eventually acquired much of its initial plant, equipment and other assets for nothing. ADI, moreover, has been given uncompetitive domestic advantages in that it has guaranteed fleet support work in Sydney and its clothing division has a monopoly on the provision of uniforms for the ADF until 1995.

The government has invested a large proportion of the defence major capital equipment vote in the ANZAC frigate and *Collins* class submarine projects. It is disturbing, therefore — and the more so given the persistent tendency of major Australian defence projects to exceed original approvals — that the Australian National Audit Office (ANAO) has identified significant deficiencies in the submarine project. Substantial profits have already been made by the contractor, and the government advanced a substantial proportion of the project cost, even before the first boat was launched (in August 1993).[25] The effect on future defence procurement capacity of any significant delay in either of these projects would be profound yet, as will be shown below. The ANZAC frigate was too easily allowed to expand beyond the relatively modest "light patrol frigate" originally recommended by the *Dibb Review* into a project costing about 130 per cent more than Dibb's original estimate.

The government, well aware that the Australian defence industry cannot subsist on domestic demand alone, is braving the buyer's market and actively promoting defence exports, particularly into the Southeast Asian region. The Sydney conference mentioned earlier brought together representatives of the Defence Department, the Department of Foreign Affairs and Trade, the Australian overseas trade promotion service (AUSTRADE), and the defence industry. Australian defence attachés from the ASEAN missions were brought to Sydney to attend. The intention was to allow the industry and the government to combine more effectively, and for the government to facilitate defence industry export efforts where it could properly do so. Southeast Asia is perceived as a growing market in which the Australian defence industry can do useful business while simultaneously giving effect to one aspect of a regional engagement policy.

That Australian companies can do some defence business in the region is undoubtedly true, but the extent of the potential market should be put into a realistic perspective. A "ballpark" estimate of the combined defence votes of the ASEAN states (excluding Brunei) for 1992 (US$9.44 billion) compares with Australia's US$7.27 billion.[26] Because of lower personnel costs, the ASEAN states probably spend more of their defence budgets on the procurement of goods and services than the 25.7 per cent spent by Australia. Nevertheless, it is reasonable to conclude that the total *potential* ASEAN defence equipment market is only about US$1 billion larger than the total Australian domestic market.[27] And the Australian defence industry, with no MiG-29s or ex-East German ships to sell, can capture no more than a small share of this market, especially as most of the ASEAN states naturally support their own defence industrial infrastructure by placing their orders locally. Moreover, as the Defence Department itself understands, any significant Australian defence marketing effort in Southeast Asia inevitably implies reciprocal access to Australia for the defence industries of regional states, thus placing at risk the Australian industry's share of the existing domestic market.[28] Clearly, defence exports to the ASEAN states, though useful where achieved, are no panacea for the problems of the Australian industry.

The effect of recent developments of Australia's defence industry is well illustrated by the case of AWA, an electronics firm. Anticipating significant profits, AWA some years ago set up a subsidiary corporation, AWA Defence Industries (AWADI), to handle its defence business. But AWA went from profit to loss "mainly due to a steep fall in sales and profits from its defence division".[29] AWADI was "restructured", with over ninety positions immediately abolished and thirty more disappearing by mid-1993. As an Australian defence industry journal commented:

> Following-on from the earlier less-than-successful experiences of other companies such as Ansett Technologies and BHP-Information Technology (and their subsequent withdrawal from active pursuit of defence work), the AWADI experience suggests that a priority industry policy consideration for [government]. . .will be to clarify Defence's role in the development of industry sectors expected to fulfil the "self-reliance" aspects of Australia's current defence policy.[30]

Nevertheless, Australian industry inevitably argues the need to sustain the defence industry in order to support self-reliance and, of course, associated trade unions highlight the jobs which will be lost if the government does not provide suitable work to various industrial interests. But if the government attempts to respond to these demands, it will be forced to choose between diverting non-defence funds to this purpose or reducing other areas of defence activity. To put it in a nutshell, the announced self-reliance goal is unrealizable; it has turned out to be too expensive for Australia. Australia simply cannot afford what would be required to make the ADF a genuinely self-reliant force. However, this is something which neither the government, the Defence Department, nor the ADF can possibly admit. The failure to anticipate the extent and consequences of global change when adopting Cooksey's report in 1988 is understandable, but continuing failure to appreciate the implications for the defence industry and self-reliance in 1993 is not.

The Finance Dilemma

The preceding discussion highlights a central problem for Australian defence managers: the resources allocated to defence have been insufficient to give effect to the officially endorsed programme, and the consequences are not being felt.

Governments in liberal democracies cannot safely fund any interest group beyond what the people will accept. Generally speaking, the people support funding according to their overall perception of need, tempered by their willingness to pay taxes. They express their views at the ballot box and through the usual democratic processes. Clearly, since the end of the Cold War, the ability of defence to extract resources from democratic Western governments has been in decline. In the United States, the term "peace dividend" was coined to describe this phenomenon. Barring some disastrous global or regional upheaval, the trend is likely to continue in Australia and most other Western democracies. As will be shown below, Australian defence outlays are falling even further behind the levels upon which plans announced in *DOA 87*, and even the 1991 *Force Structure Review (FSR)*, were predicated. Besides the failing credibility of the U.S. alliance, and the equally suspect status of Australian self-reliance, there is another dilemma: the term "peace dividend" is not used much in Australia but, in effect, defence is likely to be paying one for some time to come.

Recently, this has, in effect, been admitted to by the Defence Department. A recent overview of the budgetary position had this to say:

> [In adopting the *FSR*]. . .we have foregone what was then the 1% growth in guidance that we were expecting, effectively some $870–900m over the FYDP [Five Year Defence Program]. We undertook to achieve 75% of the objectives in the Defence White Paper and we undertook very significant personnel reductions, both in military and civilian staff. And latterly we accepted a further reduction in guidance of minus 0.5%. . . But all that was done in an environment where pay was seen as an add on to your budget base. Now the ground rules have changed and remuneration theoretically has to come from within your budget. . .we could not have both the pay rises and retain the capabilities we were planning. The effect over the FYDP. . . is a net shortfall of about $585m to be gained somehow over the FYDP. That's too large a sum to absorb without any significant loss of capability.[31]

Failure To Meet Expenditure Targets

Even before the emergence of "peace dividend" thinking, Australian defence funding was in some difficulty. In 1986, the *Dibb Review* opined that "total defence outlays of around three percent (GDP) seem broadly appropriate for Australia", while in *DOA 87*, believing itself to be realistic, the government set out a programme of defence funding based on the outlay of between 2.6 per cent and 3.0 per cent of gross domestic product (GDP) annually.[32] But these targets were never met: in 1991–92 Australia spent only 2.4 per cent of GDP on defence. The 1991 *Force Structure Review* (FSR) effectively reduced funding even further, revising real growth projections down to zero per cent. In 1992–93 the budget was for 2.4 per cent of GDP and zero real growth, but future budget projections expect negative real growth, meaning that there will be progressively less money for defence, especially in a new economic climate characterized by low inflation. In fact, it has been known since the *Force Structure Review* (even on the *FSR* zero real growth assumption) that about a quarter of the programme set out in *DOA 87* cannot be funded within the time-frame originally intended.[33] It was a noteworthy signal during the March 1993 election campaign that neither the government nor the opposition was

TABLE 1
Trends in Australian Defence Spending, 1974–75 to 1992–93

Financial Year (FY)	*Defence Outlay ($Aust m)*	*(%GDP)*	*(% Govt spending)*	*Real % Growth*	*Forward Govt Guidance*[a]
1974–75	1628	2.7	9.1	—[b]	—[c]
1975–76	1853	2.6	8.5	—[b]	7.2
1976–77	2149	2.5	8.9	5.2	5.2
1977–78	2340	2.5	8.8	8.0	3.0
1978–79	2568	2.4	8.8	1.0	2.6
1979–80	2965	2.4	9.3	3.0	5.5
1980–81	3491	2.5	9.6	5.6	5.3
1981–82	4055	2.6	9.8	– 1.7	4.3
1982–83	4701	2.8	9.5	4.6	—[d]
1983–84	5299	2.8	9.3	4.1	4.5
1984–85	5938	2.8	9.2	2.8	4.5
1985–86	6674	2.8	9.5	2.9	3.8
1986–87	7208	2.8	9.5	– 0.4	3.3
1987–88	7422	2.5	9.4	– 1.1	1.0
1988–89	7780	2.3	9.5	0.5	1.0
1989–90	8476	2.3	9.7	0.0	2.0
1990–91	9067	2.4	9.1	0.0	0.0
1991–92	9362	2.4	9.1	0.0	1.0
1992–93	9886	2.4	9.0	0.0	– 0.5

Notes: [a] Forward guidance by the government of real growth for the following financial year (for example, in 1975–76 the government gave a guidance of 7.2 per cent real growth for 1976–77, but 5.2 per cent was the actual outcome)
[b] Real growth data unavailable before 1976–77.
[c] Forward guidance figures unavailable before 1975–76.
[d] No guidance this year because of the change of government, March 1983.

SOURCE: The first three columns of data (except 1991–93, for which all figures are from that year's official Budget Papers), are from Allan Shephard, *Australian Defence Statistics 1971–1992* (Australian Parliamentary Research Service, Issues Brief No. 20, 1992), p. 3. The last two columns (again except for 1992–93) are taken from Parliament of Australia, *Hansard* (Senate), 28 April 1992, p. 1736, Answer to Question No. 1752.

committed to funding increases.[34] Indeed, Table 1 above shows the almost perfectly consistent failure of successive governments to meet their own defence forward funding guidance. In fact, the only Australian forward funding guidance likely to be met for the foreseeable future is that with a minus sign in front of it. Nor is any amount of lobbying likely to change this situation. Australia cannot fund its declared defence plans with the resources now being made available: either the plans must change, or resources must be increased, otherwise Australian policy will lose domestic and international credibility.

Throughout the present decade, Australian defence will probably have to adapt to a more restrictive financial climate than it has endured since the fifties and early sixties. In 1960, after more than ten years of the conservative Menzies government, and despite the alleged dangers to Australia of the international communist menace, the total strength of the regular ADF numbered only 47,774, of which the regular army made up 21,433.[35] Australia may well be heading that way again, because on present trends Australian defence funding will not support an ADF as large, or active, as that now in place.[36] A significant block obsolescence problem affecting much of the ADF's equipment inventory other than newer acquisitions — such as the ANZAC and Australian frigates, the *Collins* submarines, and *Blackhawk* helicopters — also looms towards the end of the decade.[37] How is Australia to reduce the size and capacity of the ADF while minimizing security risks, running a policy of constructive regional engagement and keeping options open for future expansion? This is the bottom-line that Australians are going to have to confront as the twentieth century draws to a close.

The preceding argument, however, provides only a description of the environment in which Australian security planners will have to operate. In this context, what questions will they need to address?

Australia's Force Structure Debate

There has been much debate in Australia about the appropriate force structure mix. Should Australia include more offensive capabilities in the ADF, or would that make it appear potentially aggressive? How should the argument between those demanding that only so-called "defensive" systems be deployed and those who favour a deterrent posture with an emphasis on "offensive" capabilities be resolved?

Control Versus Denial Strategies

There is a valid military posture debate for Australia, but it is arguable that it should not be between the alternatives just mentioned. Weapons are rarely purely offensive or purely defensive in nature, and it is difficult to envision a viable force if all so-called "offensive" weapons are to be barred. In fact, the real issue is between concepts in which Australia wishes to project significant military power beyond its immediate territory and have the capability to assert military *control* in such areas, as distinct from concepts emphasizing the ability to *deny* the use of certain areas to potential enemies without Australia itself necessarily seeking to assert control. In other words, the issue is not "offence" versus "defence", or "forward" versus "continental" defence, but the concept of *control* versus that of *denial*. The latter concept has the advantage of being strategically defensive, which reduces both the risk of sending the wrong signals abroad and the likelihood of the defence force being required to project itself too far beyond its territory. Its credibility is assured by the fact that a denial strategy does not require the ADF to confine itself to so-called "defensive" weaponry: offensive capabilities, not exclusive of some strategic strike systems, are indispensable to making denial effective.

On the other hand, postures based on power-projection for military control can offer more assurance that the national strategic position can be secured against a wider range of contingencies than is possible with denial. But a control posture requires considerably more strategic offensive capacity (which means more money) and is, moreover, easily misinterpreted by any state wishing to fabricate an "Australian military threat" and thereby justify increased military spending or, in the worst case, a preventive attack.[38]

Australia and the Law of Diminishing Security Returns

Spending money on military capability does not automatically guarantee a proportional increase in security. If x dollars buys y security, it does not necessarily follow that $2x$ dollars will yield $2y$ security. An extreme case — the military strategy of the former Soviet Union — illustrates this to perfection. After the experience of World War II — where the Soviets lost fourteen million soldiers and six million civilians and suffered the destruction of extensive territories — the post-war Soviet leadership became obsessed with security. It determined that the next war would not be fought on Soviet territory and seized Eastern Europe to use as a buffer zone. But when the Western allies reacted adversely, the Kremlin decided that it needed yet more powerful armed forces to assure future security against the West. But the more powerful the Soviet forces became, the more threatening they appeared to the West which, therefore, built up its own forces. The final outcome was that the Soviet Union spent vast sums on military forces and was arguably no more secure at the end of the process than in May 1945. All that Moscow achieved was to hold up its end of the Cold War, imposing an ultimately intolerable burden on the inefficient command economy, and thus contributing to the final collapse of the state and system it sought to defend. The law of diminishing marginal returns can be as valid and instructive when considering security issues as it is for economics.

This suggests that a strategic posture involving military control through extensive power projection is unlikely to buy Australia the kind of security it desires.[39] More probably, and quite apart from its prohibitive cost, such a posture would cause concern among regional neighbours who wonder why a state which admitted that it faced no identifiable threat found it necessary to adopt such a posture. Unlike the Soviets, then, Australia should not seek security by attempting to exercise strategic and military *control* of the approaches to its territory. It is surely sufficient if Australia can *deny* the approaches to potential enemies and again, unlike the Soviets, this is the more easily achieved by virtue of Australia having no land borders, a wide sea/air gap or moat and, in the last analysis, a substantial cushion of inhospitable terrain between the heavily populated southern portion of the continent and the (theoretically) vulnerable north and northwest coast.

The Australian military posture debate, then, is not about — or ought not to be about — offensive versus defensive weaponry, or continental versus forward defence policies, but about the merits of control versus denial strategies. Notwithstanding the explicit advocacy by the *Dibb Review* of a military strategy of denial for Australia,[40] the implications remain to be fully understood by many (though not all) participants in the domestic defence debate, notably some in positions of influence. In particular, it does not seem to be understood that long-range strike capabilities, though necessary, are not the primary instruments of such a strategy.

The declared intent of the recent decision to acquire 15 F-111G aircraft from the United States is to extend the life of the Royal Australian Air Force (RAAF) strategic bomber force to the year 2020. This target is achievable by rotating F-111G and F-111C machines through storage, allowing the whole fleet to fly the same number of hours as the F-111Cs would have flown.[41] But it cannot be denied that if the transaction proceeds Australia will soon possess about forty long-range strike aircraft which, to make the RAAF a major regional air power, need only be brought to operational status together.[42] Because of its effect on the balance of the ADF, this purchase is inconsistent with a denial strategy. The initiative was taken in haste, outside usual channels, not subjected to the detailed scrutiny essential for major defence equipment purchases and, in particular, not aired with regional neighbours before announcement. It was, in fact, an example of *ad hoc* decision-making of the worst kind, introducing into the force structure an imbalance never intended in defence planning. (As an immediate effect, it may well sink the proposal announced in the 1991 *Force Structure Review* for a troop mobility/helicopter support ship).[45] Despite a subsequent volte-face, doubtless intended to minimize a potentially difficult situation, the initially negative Indonesian reaction to this decision — it was publicly queried by the Indonesian Ambassador to Australia — indicates that the signals it sent were not necessarily positively interpreted by all regional states.[44]

If the F-111 acquisition is an example of *ad hoc* decisions ignoring established planning procedures and strategic posture, the history of the ANZAC frigate project demonstrates a creeping or incremental negation of carefully developed proposals in favour of more elaborate options. As originally recommended by the *Dibb Review*, the ANZAC "light patrol frigates" were to be "...an intermediate class of ship" of about 2,000 tonnes standard displacement but "not as expensive to maintain or acquire as destroyers". They were to emphasize "range, sea-keeping, endurance, good surveillance and local command, control and communications capabilities, rather than advanced or complex weapons and high speed", and eight ships were estimated to cost about $2 billion.[45] The ANZAC frigates now under construction, however, at nearly 3,500 tonnes full-load displacement are considerably heavier than Dibb's concept; the original idea of a 76mm gun was soon upgraded to 127mm, and other capability options added. Most significantly, Dibb's 1986 estimate of $2 billion for these ships had risen to $3.5 billion when the project was formally launched in 1989, and at present the project cost is $4.6 billion, an increase of 130 per cent over Dibb's proposal and, more significantly, of 31 per cent over the officially approved 1989 figure.[46] Some small part of the escalation will be due to hidden subsidies to New Zealand for its two ships,[47] but in any event, the ANZAC frigates Australia eventually acquires will not be "light patrol frigates", but something quite different. Above all, the frigate has placed a burden on the defence vote beyond what was authorized in 1989. Should the cost follow many past precedents and escalate significantly beyond authorization, it could yet be an even greater burden.

Regional Engagement in Southeast Asia

Development of Australian Policy

For a long time, Southeast Asia was perceived by Australia only as a source of threats. In the fifties and sixties, Soekarno's Indonesia and communist Indochina were considered sufficiently menacing for Australia to send troops to resist *konfrontasi*, to order the F-111 aircraft in 1963, and to fight in the Indochina war.[48] The Five-Power Defence Arrangements (FPDA), though they have evolved far since then, were originally developed in this context following the British pull-out from east of Suez. There was a strong "threat from the north" mentality, arguably based on a deep-seated fear to which the classical form of White Australia racism gave overt expression. Matters were not helped by the still popular (though erroneous) conception that Japan attempted to invade Australia in 1942.[49] This mentality nurtured the "forward defence" and "domino theory" approach which drove Australian policy until the late sixties.

In more recent times, a less simplistic, but arguably still incomplete, view of Southeast Asia has developed in Australia. Recognition of Australia's geographic situation, its strong trading links throughout the region to Japan and its obvious interest in the maintenance of regional military and strategic stability has led governments by degrees to appreciate the importance of strengthening the regional sense of security. This approach is reinforced by the present government's push for Asian involvement across the spectrum of activity. Australia is now committed to a policy which can be described as one of constructive regional engagement. A significant example was the commitment to peacekeeping in Cambodia — an operation which involved significant political and military risks — and the effort which went into making any peace process, however uncertain, even possible.

Philosophically, Australia and its Asian neighbours have largely left behind the era of direct military assistance, from donor to recipient, in favour of appropriate military co-operation between partners. The nature of the FPDA co-operation, for instance, has changed accordingly, and there is a steadily increasing variety of less formalized but still valuable contacts between the forces of several ASEAN states and Australia. PASEX (passing exercise) opportunities between Australian and other navies (notably Indonesia) are taken, while some ASEAN states recently participated in the first of a new series of KAKADU exercises off the north coast. More extensive regional participation in future KAKADU exercises is believed probable. Singapore and Australia have agreements whereby the former uses Australian ground-force and air training facilities in Western Australia.[50] In this regard at least, Australia is in step with the wider regional trend. It is not the only country with which Singapore has concluded arrangements, and there are others in train between, for example, Malaysia and Thailand for exercises on their common border.[51]

In late 1992, Defence Minister Senator Robert Ray, interviewed by the *Asian Defence Journal*, gave a useful summary of the government's declaratory position on Australian defence relations with the region:

> Australia makes a major contribution to regional security through a wide range of bilateral and multilateral defence cooperation activities. These include extensive ship visits and personnel exchanges, the

> Five-Power Defence Arrangements with Malaysia and Singapore and the Joint Declaration of Principles with Papua New Guinea. We also have long-established cooperation with Malaysia and, consistent with the Timor Gap Treaty Arrangements, we will be cooperating with Indonesia in maritime surveillance in the Timor and Arafura Seas. It is a major aim of Australia's defence policy to continue to add substance to our defence relations with the region. This is a direct contribution both to our own security and the security of the region as whole.[52]

While granting access to facilities on a pay-as-you-use basis is a worthwhile initiative, adding further substance to Australian policy may prove harder than the Minister's statements suggest. Significant additional activity, such as combined exercises or increased steaming time to support an expanded naval patrol and visits programme, require substantial resources for running costs and can only be supported by adding to the defence budget or cutting back elsewhere within its constraints. At least in the short term, major peacekeeping deployments are likewise costly and, where relatively large numbers of specialized troops such as engineers or signallers are required, can degrade residual capabilities in the force remaining at home.[53] If constructive engagement is to be an instrument of real and not merely declaratory Australian policy, it will generate demands on the defence budget which, unless defence planners in Canberra re-order their priorities, may not be met. Nor can Australian policy be said to be regionally credible until such time as it finally addresses and resolves the dilemmas already mentioned.

Moreover, the Australian penchant for off-the-cuff defence decision-making threatens to take force structure in directions inconsistent with declared military posture, raising unnecessary doubts in the region as to the true direction of policy. The effects are compounded by the tendency of initially modest concepts to expand as key decision points approach. Previous, perhaps more cautious, evaluations have been modified by adding just one more weapon to a platform, or capability to a weapon.[54] The result is a weapon or platform of a different character to that originally approved. Both phenomena can undermine national credibility in a region where such signals, even when publicly downplayed, are rarely missed.

Australia and the Region

As Senator Ray said, the assumption underlying the regional engagement policy is that regional security supports Australian security and *vice versa*. Therefore, Australia has been at pains in strategic and military policy not to support trends which could be perceived as destabilizing by its neighbours. This is one reason why official Australian policy supports Indonesia's claim to the former Portuguese territory on Timor, notwithstanding continued United Nations disapproval, Portuguese legal action against Australia, and significant domestic sympathy for the East Timorese resistance. It is why Australia supports the Papua New Guinea government in its conflict with the Bougainville secessionists. Australia does not wish to encourage any tendency towards "balkanization" of the region, a wish no doubt reinforced by the consequences of the latter-day balkanization of Yugoslavia, the Soviet Union and, perhaps, of the Russian Federation. Moreover, Australia and its neighbours have learned to insulate (as far as possible, given prevailing circumstances) the military relations from the temporary political difficulties which can arise from time to time.

The recession of American power from Southeast Asia — and despite regional efforts and American gestures this will almost certainly be a continuing process — provides a strong stimulus to develop fresh security perspectives. The trend is towards a system within which states always retain their freedom of action (including in cases where there is potential for intra-regional conflict), but nevertheless agree to co-operate for mutual benefit in carefully defined spheres. Unlike Australia, most regional states have already recognized that the region must look essentially to its own resources and not to external alliances for the creation of such a system.[55] If member states so determine, this process might eventually result in ASEAN adding a security dimension to its role. That this option, long dismissed by the ASEAN members, is now at least open to discussion, shows the trend towards regional security thinking. Alternatively, an interlinking set of bilateral and multilateral arrangements — some written, others less formal; some involving Australia, more not — intended to provide a broad security framework may develop independently of the ASEAN structure. But the formal structure is perhaps less important than the intent and the effect.

For Australia, however, this developmental process is still at a relatively early stage. Certainly, beyond the broad-brush sentiments which may be found in the Defence Minister's remarks quoted above or in the government's 1989 security statement by the Foreign Minister,[56] Australia's role within any future regional framework remains incompletely defined. One reason for this tardiness is probably a recognition of the limitations of the Australian defence budget. Certainly, putting flesh onto these bones is not going to be easy for Australia. Furthermore, it will be necessary for Australia to cultivate the habit of consultation with neighbours before it announces force structure and other decisions with potential regional security implications. If Australia is to have the means to make its involvement regionally effective, these matters cannot be long deferred.

Australian Credibility

To restore its credibility, Australia needs to solve the problems of alliance, self-reliance (including the defence industry) and forward defence funding. None will be easy; the first because of its great political delicacy, the latter two because of domestic employment concerns and economic constraints. All are exacerbated by that most perilous of things to security planners, a long-established orthodoxy whose usefulness is running out. In this respect, Australia is fast becoming a classic case.

Canberra should no longer postpone a hard look at Australia's U.S. alliance in the modern context. A comforting sense of association and continuity is not a real benefit. Nor does the mere existence of a treaty, or the willingness of the United States to sell to Australia in peacetime (or for U.S.-supported activities like the Gulf War), provide Australia with credible support in any scenario in which Washington's interests are not directly engaged, or in which they are unclear as between Australia and any adversary. It is even more arguable that the alliance is an increasingly irrelevant leftover of a past era and that Australia would benefit substantially in terms of national freedom of action if it translated itself from the status of U.S. ally to that of U.S. friend. In a very practical sense, the substantial funds spent on exercises with the United States in order to demonstrate continued adherence to the alliance could well be redirected to give further substance to the regional engagement policy.

Most probably, however, Australia will not cancel the ANZUS treaty. Instead, the U.S. alliance, while remaining on the books, will simply become less and less relevant as time passes and the United States continues to undermine the basis of its relations with Australia by ham-fisted trade policies. The only real exceptions to this trend are likely to be the U.S. facilities at Pine Gap and Nurrungar. These remain important to Washington although, as has happened with the Philippine bases and recently with the naval communications station at North West Cape, if their value declines because of technological and/or strategic developments, the United States would speedily divest itself of them as well.

In the context of a static or shrinking defence vote and generally uneconomic defence industries, an even harder look at Australia's deficiencies in self-reliance is required. As already noted, Australia is self-reliant only so long as it does not have to fight.

To address this problem, Australia must bite its defence industry bullet. There is little point in continuing to invest scarce defence dollars in uneconomic defence industry projects that really amount to government-subsidized job-creation schemes and regional "pork barrels" run under the self-reliance banner. It is all very well to say that these projects support self-reliance, but benefits need to be weighed against costs. Canada — a country often compared to Australia — has recently done so and the Auditor-General has concluded that it is paying an excessive premium for local defence production with few concomitant benefits:

> . . . the Government's buy-in-Canada policy for defence equipment and its desire to develop uniquely Canadian systems increased overall costs on projects. . . . The study found that the Defense Department's procurement policies create few long-term industrial benefits. For example, some defense contractors who worked on large-scale Canadian programs have gone out of business while others face an uphill battle trying to export military products.[57]

The struggle to export successfully, of course, is a symptom of the changed global arms market and is as relevant to Australia as Canada. But Australia has not commissioned its Audit Office, ANAO, to do a similar study, though the ANAO study of the submarine project and its discouraging findings have been noted above. Nor is Australia ever likely to commission such an analysis, because the probable outcome would be the overthrow of some of the government's most cherished illusions. A balanced assessment of Australia's defence industry, however, suggests that while local production of very basic weapons — small and medium arms, its ammunition, basic artillery ammunition — should be maintained, Australia should stop throwing good money after bad in the wider industrial field. The test for the Australian defence industry, like any other industry, ought to be its ability to survive in a competitive free market without taxpayer subsidies, however disguised. Much of the Australian defence industry would fail such a test. The *Price Report* notwithstanding, it is most unlikely that the Australian defence industry will ever generate sufficient income in the open market (domestic and export) to become genuinely self-supporting. Therefore, Australia must decide just how much of its defence budget it can really afford to spend on propping up the industry.

Though some maintenance and repair work can be (and occasionally is) carried out overseas, the ADF generates a constant stream of work that is generally done in Australia. Therefore, industry policy should place more emphasis on maintenance and repair and less on ambitious and excessively costly construction. The Defence Department's Commercial Support Programme, which is transferring some maintenance and support work from the ADF to the private sector, dovetails effectively with this approach, frees up precious ADF personnel, and thus offers the prospect of an improved teeth-to-tail ratio.[58] But its work is unlikely to expand — it may indeed contract if restraints are put on ADF activity — and will support only so much industry. If they are to stay afloat, private sector concerns will have to look for increasing quantities of non-defence work. As well illustrated by the electronics firm AWA mentioned above, this process is already under way but it means that the defence industrial component in such firms, and so in the country as a whole, must shrink, and with it defence self-reliance.

A realistic industry policy will release resources which can then be applied to overseas capital equipment procurement, or — importantly, if Australia is to integrate itself into a Southeast Asian security framework — to co-operative regional industrial arrangements. Indeed, given the manifest overall weakness of the Australian defence industrial infrastructure, co-operative arrangements with regional states which have more competitive internal cost structures may well be the only way in which much of Australian defence industry can survive. But this, of course, involves some export of jobs from Australia to Southeast Asia, with all the domestic political difficulties this entails.[59] It also implies reciprocal access to the Australian market for Asian defence manufacturers. In any event, while this article criticizes excessive Australian dependence on the United States, excessive dependence on any one party is equally imprudent. Therefore, if only to spread the risk, Australia should diversify its sources of overseas supply and seek co-operative defence industry ventures where it can.

It is fortunate that conditions could hardly be more favourable for such a policy shift. Consequent on factors already described, there is almost a global "fire sale" of defence goods and services going on; a wide range of equipment can be obtained at bargain-basement prices which would take a lot of stress off Australia's defence vote. If the Australian security establishment can be weaned off the philosophy which requires the purchase of top-line U.S. or other high-tech, high-price items, then numerous opportunities may be open. Source diversification — not excluding former East bloc sources, as explored by both Indonesia and Malaysia — will allow the ADF to acquire some needed items in greater quantity. The choice is between having an inadequate inventory of the most excellent platforms or equipment or an adequate inventory of more affordable items. In short, the ADF force structure mix will need to change. Security of supply and support at least would not be a problem: ex-East bloc suppliers are so desperate for foreign exchange that they will not refuse supply to any reputable non-aggressive state like Australia.[60] It is better in any case to acquire *matériel* from those who stand in a purely business relationship, than to have to persuade a superpower that none of its manifold interests are damaged by supporting Australia in situations presently unknown. Profit, unlike politics, is always an eloquent advocate.

For "rogue" states such as Iraq or North Korea, matters may be different — though even this is perhaps debatable — but there can be little doubt that Australia can procure equipment and supplies in this manner.

It is not suggested that Australia abandon entirely its attachment to expensive American or other high-tech *matériel*. One area where perhaps even more emphasis in this direction is needed is in surveillance and intelligence gathering. The *JINDALEE* over-the-horizon radar project, for instance, is very important to Australia and, as a surveillance system, can hardly be interpreted by any regional neighbour as a threat. Yet, as things stand, Australia has only enough resources to support two stations where three would be desirable: one in Western Australia, one in Queensland and the third being the original development facility near Alice Springs.[61] Funds for this will not be available unless Australia restrains its spending in other areas of the defence vote.

But the Australian defence budget problem is likely to prove intractable, and this will place constraints on the future of the Defence Force. Numbers may fall further and, whatever is on inventory, it is probable that some major assets will be moth-balled and operational allowances cut as reductions in spending continue to bite. This needs to be understood as a "given" when considering the likely extent of practical, as distinct from declaratory, Australian involvement in the region.

Responses to the New Regional Environment

The end of the Cold War global system has proven to be a mixed blessing. It is perhaps appropriate to recall, to discourage any nostalgia for the old verities, that the Cold War era was characterized by the ever-present fear of global ruin through superpower conflict, and by superpower-stimulated regional problems. These, at least, the world is now spared. Regionally, any threat from Soviet forces based at Cam Ranh Bay in Vietnam has disappeared and communism as a threatening ideology is almost wholly discredited.[62] The reduction of the U.S. presence in and, this article argues, commitment to, Southeast Asia has already been noted. But one of the most significant changes is undoubtedly the descent on Southeast Asia of companies and states hoping to sell to regional states arms and equipment because traditional markets have disappeared or at least significantly declined.

This last, however, is a negative development only if regional states permit it to become such. There is a genuine and legitimate requirement in several ASEAN states for force modernization, and if the global "fire sale" of weaponry permits this to be done without the assumption of crushing economic burdens, so much the better. Moreover, it has already been noted that the regional market for defence items is of (relatively) limited size. Only if states begin investing in those few types of weaponry which are inherently destabilizing (for example, the combination of ballistic missiles like *Scud* with chemical or nuclear weapons of mass destruction), or if they develop force structures unambiguously designed for offensive actions against neighbours based on strategies of control, will there be a problem.

Singapore's elder statesman, Senior Minister Lee Kuan Yew, recently warned that Asia would shift its focus from economics to defence if the United States withdrew:

> If they pack up then all the ancient suspicions and animosities between Japan and China, Japan and Korea, and Korea and China and the fears of ASEAN for China and Japan would shift from the positives we have achieved to defence and security.[63]

By implication, it attributes the stability of all of East Asia (not just Northeast Asia) to the U.S. presence. In fact, the importance of the U.S. role in Northeast Asia should not be understated; in particular, its contribution to the maintenance of strategic security for Japan and on the Korean peninsula remains vital. However, since its defeat in Indochina, the U.S. role in the southern part of the region has not been as critical. The Philippine bases were for Cold War rather than regional security purposes, which is why Washington withdrew with such alacrity when a combination of natural phenomena (a cyclone and a volcano) and Philippine senatorial resistance gave it the opportunity in the immediate post-Cold War period.

While the withdrawal of American power from Japan, or even divided Korea, is neither likely nor desirable, the effective U.S. commitment to the Southeast Asian region is in a slow decline. With respect to efforts by Australia and others to reverse this trend, it is only a mild overstatement to invoke the story of King Canute and the tide, except that this time the tide is going out.[64] Neither a small American logistic presence in Singapore, nor token force deployments, ship visits or exercises, will substitute for Clark Field and Subic Bay. Nor can declarations such as that made by U.S. Assistant Secretary of State for East Asian and Pacific Affairs, Winston Lord, following recent U.S.-ASEAN talks in Brunei, that Washington "reiterated its enormous stake in the region's stability" substitute for genuine deployable military capabilities.[65] Such gestures, though of temporary political value, should be understood strategically as essentially low-cost, low-risk, tokens by Washington. The region (in this case including Australia), in short, is well-advised to take this shift on board.

Japan and China

It is fortunate that Southeast Asian stability is not dependent on an American presence but can be effectively supported by local states. Only if an aggressor external to the region were to pose a significant military threat would problems arise; China and, perhaps, Japan could at some time pose such a threat. But Japan presently has insufficient military capacity to support serious ambitions, and China still has a long way to go in its force modernization process, while the future course of its policy is at worst uncertain. There are, moreover, powerful political and eonomic — not to mention military — disincentives (albeit different disincentives for each) working to deter both states from military adventurism and disruptive foreign policy choices.

The wartime experience of the Southeast Asian states and Australian troops sowed an abiding regional mistrust of Japanese military power. While the Japanese defence budget remains relatively low and the Self-Defence Force essentially defensive, this mistrust remains latent, overlain by a willingness to maintain good relations with one of the world's great economic powers. Japan should be encouraged, then, to pursue the non-military course. Of particular importance is the U.S.–Japanese alliance which, by supporting Japanese security, has obviated any need for Japanese militarization. If Japan is to remain only a modest military power, it is important that Washington be encouraged to maintain the substance of its commitment to Northeast Asia. Rather than vain attempts to resuscitate U.S. power in Southeast Asia, regional support for its maintenance in the northern sector will enhance security throughout East Asia. With the U.S. relationship in place, the unsubtle attempts by Japanese politicians on the right of the ruling Liberal Democratic Party (LDP) to secure constitutional changes and the unashamed militarism of some *unconstructed* ultra-nationalists are unlikely to prevail. Japan, indeed, appears to have been cured of military aggressiveness by its Pacific War disasters. Service in the Self-Defence Force is not a prestigious career in Japan and any significant Defence Force expansion would require conscription, with attendant political costs. The constitutional and political barriers to an expanded military role are substantial — a two-thirds majority in each chamber of the Diet plus an affirmative popular vote — and are unlikely to be overturned. The cost of substantial rearmament is also a significant factor. Continuation of Japan's present policy of military restraint and strictly limited deployment seems the course least likely to disturb the region or, indeed, potentially powerful Japanese neighbours such as China and Russia.[66] Even the United States, though it urged Japan to do more for its own defence in the latter stages of the Cold War, would not necessarily welcome a substantial expansion of the Japan Self-defence Force. This became apparent as early as 1988 when Carl Jackson, Assistant Defence Secretary for International Security Affairs in the Reagan Administration, warned that there were limits to Japanese military capacity which could be exceeded only at the cost of alarming many neighbours.[67]

China remains an unknown quantity. The leadership, for all its nominal attachment to Marxism-Leninism Mao Zedong thought, has been forced by hard reality to jettison communism's sacred economic cows. What form the regime will take in, say, a decade's time cannot be predicted but the potentially corrosive effects of "capitalistic" economics on the cohesion of the authoritarian state should not be ignored. In any event, Beijing will need access to foreign capital and technology for many years (and, therefore, the support of cashed-up and technological states) if it is to modernize its economy. China may well be preoccupied with internal adjustments for some time to come and, if it can be successfully integrated into the global economic system, policies with an aggressive and military emphasis will face disincentives.

One course for regional policy will be to reinforce these disincentives for both Japan and China.

Conclusion: The Gap Between Rhetoric and Reality

The end of the Cold War has had important effects in the East Asian region. While these have not always been as overt as, for example, the dramatic changes in Eastern Europe, they are none the less real. However, they generally overlie (and sometimes reinforce) developments which were in train in any case.

This is notably the case with respect to the debate over Southeast Asian military expansion. The change in the force structures of many ASEAN states away from counter-insurgency towards more conventionally structured forces does no more than reflect the decline during the last decade of formerly dangerous insurgent movements. Force modernization, rather than an arms race, is what is under way. For while the states of Southeast Asia do have certain long-term rivalries and some conflicting territorial claims (as in the Spratly area), they have thus far shown a wise restraint in the pursuit of these matters and resort to force has been minimal. Nor do these difficulties appear so fundamentally threatening as to require any state to trigger a genuine "arms race" with a neighbour or neighbours in a bid to resolve them militarily.[68]

The ASEAN states, like Australia, desire that their part of the world be both stable and secure. Stability implies conditions in which significant strategic shifts occur incrementally rather than simultaneously, permitting actors to adjust with minimum dislocation. Security implies successful management of the potential causes of armed conflict, whether caused or exacerbated by external involvement, or originating between regional states. Given the tendency of some states and commentators to assert the contrary, it is important to note that neither stability nor security imply the absence of change: in some conditions they can require it.

The end of the Cold War has already had certain positive effects. Soviet meddling and any Soviet military threat have ceased, forcing Vietnam to reconsider its excessive military posture as support from Moscow fell away. It is arguable that had the Cold War continued, Cambodia would have remained a Vietnamese puppet, with the Khmer Rouge still ensconced on the Thai border with Chinese support. There is regional uneasiness about the future position of the United States, but American power is unquestionably reducing. The consequences of this development, however, need not be as negative as some believe. The decline of U.S. power in the Southeast Asian region since about 1970 has not prevented local states from evolving a regional framework which, whatever its imperfections, has provided an acceptable degree of security and stability. The most valuable contribution to Southeast Asian security which the United States can now make is the indirect one of remaining an important figure in Northeast Asia, creating conditions in which Japan does not need to remilitarize, and China's potential is contained. This will reduce the risk that any regional problems might be exacerbated by the unwelcome intervention of external powers.

Australia has yet to recognize that change is now a powerful factor in the global strategic setting, or that it is having a significant effect on the Australian security environment. Policy remains locked into outdated patterns of thought and is in any event not capable of full realization because of an unfavourable climate for defence spending. Yet it remains critically important for Australia's regional security environment that Canberra develop approaches which, in collaboration with neighbours, help support continued stability and security.

This task, however, has to be achieved in the face of significant difficulties and Canberra's non-recognition of them continues to retard policy modernization and undermine credibility. In present conditions, therefore, regional states would be well advised to draw a clear distinction between Australian declaratory policy and Australian capabilities. Notwithstanding the criticism of Australian policy for remaining the captive of an obsolescent framework, this is a deficiency which can be corrected by adopting fresh modes of thought. But fresh modes of thought, if ever adopted in Canberra, will have little immediate effect on ADF capabilities: significant lead-times are required. The bottom-line for Australia is that its alliance-plus-self-reliance policies have failed, that resources for defence are likely to be reduced and, accordingly, that the real ability of the ADF to contribute to a policy of constructive regional engagement is likely to be strictly limited. Until Australia resolves its fundamental security policy dilemmas, regional states should expect more rhetoric than reality from Canberra for some time to come.

NOTES

1. This article is a revised version of a paper presented at the ISEAS workshop on Arms and Defence Planning in Southeast Asia, Singapore, 18–19 June 1993. The views expressed are my own and should not be attributed to any other person or organization.
2. Australia, Department of Defence (Paul Dibb), *Review of Australia's Defence Capabilities* (AGPS, March 1986), hereafter cited as *Dibb Review*. Australia, Department of Defence, *The Defence of Australia 1987* (AGPS, March 1987). This document is cited hereafter as *DOA 87*.
3. Australia, Department of Defence, *Australia's Strategic Planning in the 1990s*, 27 November 1989 (sanitized and publicly released in September 1992; hereafter referred to as *ASP 90*). The regurgitation of *DOA 87* verities in this paper is best demonstrated in paragraph 1.10, which still refers to "reduction in the level of tension between the superpowers". One wonders where the authors were between 1987 and late 1989. See also footnote 4.
4. *Australia's Regional Security*, 6 December 1989, paras. 16 and 17. Like those of *ASP 90*, the authors of these comments failed to appreciate the end of the Cold War.
5. In fact, the ANZUS Treaty was the price the United States had to pay for Australian acceptance of a "soft" Japanese peace treaty. Domestic sentiment strongly supported a Draconian settlement, including the trial for war crimes of Emperor Hirohito, and the American alliance was sold in Australia as part of a package deal including a soft peace treaty. Those interested in further background could consult Gary Brown, *Breaking the American Alliance: An Independent National Security Policy for Australia* (SDSC, Australian National University, 1989), pp. 10–13.
6. For more evidence, see Brown, *Breaking the American Alliance*, especially chapters 4.
7. Australia, Department of Defence, *Australian Defence Review*, March 1972, Chapter 4, paragraph 25. Article IV of the ANZUS Treaty states: "Each party recognizes that an armed attack in the Pacific area on any of the Parties would be dangerous to its own peace and safety and declares that it would act to meet the common danger *in accordance with its constitutional processess*" (emphasis added). The "constitutional processes", of course, provide the escape hatch.
8. Australia, Department of Defence, *Australian Defence* (AGPS, 1976), Chapter 3, paras. 7 and 8.
9. Parliament of Australia, *Hansard* (House of Representatives), 15 September 1983, p. 900.
10. Paul Dibb, *Review of Australia's Defence Capabilities* (AGPS, 1986), p. 46. The government's own annual, *Defence Report 1985–86* (p. 31) said the same thing.
11. *DOA 87*, para. 1.23. It is interesting to compare this with the wording of the 1976 White Paper, which is almost identical, except that in the earlier document the reference was to "substantial confidence" (*Australian Defence*, AGPS 1976, Chapter 3, para. 7). The deletion of "substantial" is itself a significant admission.

12. Not least the 600-ship Navy and the vast sums squandered on the Strategic Defense Initiative which, it will be recalled from President Reagan's famous March 1983 address, was going to render nuclear weapons "impotent and obsolete".
13. This involves the American airline Northwest, which, having breached an agreement governing the lucrative New York-Osaka-Sydney route, then claimed that it was never intended that it be enforced. Australia, however, intends to enforce the agreement. Washington threatened retaliatory action against the Australian international carrier, QANTAS. In July 1993, the dispute was temporarily composed, but may well flare up again towards the end of the year.
14. The following list is only some of the *matériel* hastily acquired to prepare the Navy for the Gulf. Satellite communications equipment for HMAS *Adelaide* (FFG), *Brisbane* (DDG), *Success* (AOR) and *Westralia* (AOR); radar absorbent material for *Adelaide*, *Darwin* (FFG), *Brisbane* (DDG) and *Sydney* (FFG); two electro-optical surveillance systems (transferable from ship to ship); CW protection equipment; helicopter flare equipments; self-sealing fuel cells for helicopter; ESM analysers; portable up-air radiosondes; special microwave fits; laser protective goggles. Parliament of Australia, *Hansard*, Senate Estimates Committee B, 16 April 1991, pp. B10–B12.
15. This, of course, assumes that the hypothetical adversary has solved its own supply and sustainability problems.
16. *Dibb Review*, pp. 96–97. Parliament of Australia, Joint Committee on Foreign Affairs, Defence and Trade, *Stockholding and Sustainability in the Australian Defence Force* (AGPS, December 1992).
17. *DOA 87*, para. 1.21; Parliament of Australia, *Hansard* (House of Representatives), 19 March 1987, p. 1093.
18. Department of Defence, *Defence Policy and Industry*, November 1992, p. i.
19. Robert Cooksey, *Review of Australia's Defence Exports and Defence Industry* (AGPS, 1986). Though completed in 1986, this report was not acted on by the government until mid-1988. There were numerous reasons for this delay, not least the resistance of the Department of Foreign Affairs and Trade to the loss of its veto over proposed exports. This nevertheless went through in 1988. Some may feel that Cooksey's forecast of $0.5 billion in exports was always unrealistic: nor would I disagree. The government nevertheless accepted the report.
20. "Global spending down by 3%", *Jane's Defence Weekly*, 27 June 1992, p. 1127.
21. Throughout this article, unless the contrary is indicated, dollar values are given in Australian currency.
22. For export approval values, see Senate Estimates Committee B, *Additional Information Received*, Vol I (November 1992), pp. 140–41.
23. Mike Waller, "Chairman's Address", *Defence Export Outlook Conference*, April 1993, p. 2. Mr Waller is First Assistant Secretary, Industry Policy and Operations in the Defence Department. The conference paper by Foreign Affairs and Trade official David Hegarty, "The Foreign Policy Context", confirms (p. 14) that about $90m of defence-related exports was achieved in 1991–92.
24. *Price Report*, para. 7.2.
25. Australian National Audit Office (ANAO), *Department of Defence: New Submarine Project*, Audit Report No. 22, 1992–93 (AGPS 1992). (Note that some copies of this report were published with the erroneous date 1991–91 on the front cover and spine, though all are correctly identified on the title page inside).
26. This estimate is a "ballpark" not only because Brunei data are unavailable, but because in one case (Singapore) the IISS *Military Balance 1992–93* does not give 1992 figures and I have used those for 1991 instead. In the interests of comparability, I have used

IISS data for Australia rather than official figures. See *The Military Balance 1992–93*, p. 148 (Indonesia), p. 155 (Malaysia), p. 158 (Philippines), p. 159–60 (Singapore), p. 162 (Thailand) and p. 141 (Australia). Despite the obvious deficiencies of this method of comparison, it is sufficiently precise for the purpose for which it has been used here.

27. The 25.7 per cent figure comes from the Australian *Defence Report 1991–92*, Appendix W, Table 4, p. 299. Again indulging in "ballpark" estimates, if 30 per cent of the US$9.94 billion attributed to ASEAN (excluding Brunei) defence spending goes on capital equipment and facilities, and Australia spends, say, 26 per cent of its US$7.27 billion then Australia has almost US$2 billion a year to spend on capital equipment and facilities, whereas the combined ASEAN states have almost US$3 billion.
28. Waller, "Chairman's Address", *Defence Export Outlook Conference*, p. 8. As noted above, ADI may discover the effects of this export drive when its clothing division is forced to compete on the open market with Southeast Asian textile manufacturers after 1995.
29. Mark Furness, "Defence slump drags AWA to $4.93m loss", *The Australian*, 11 March 1993.
30. "Electronics retreats to sustainable activities", *Defence Industry and Aerospace Report*, 12 February 1993, p. 8. The journal might better have said that these problems *should* be a priority issue, rather than hopefully asserting that they *will* be.
31. "Speech by Lieutenant General John Baker", in Department of Defence, *Compendium of Division Heads' Forum 2/92 Speeches*, 27 November 1992, pp. 9–10. General Baker is Vice-Chief of the Defence Force.
32. *Dibb Review*, p. 172. *DOA 87*, para. 9.15: "There is a need for realism in expectations of the resources that Governments will be able to allocate to Defence. If we are to achieve the levels of defence capability and the priorities reflected in this Paper, there is a need, over the life of the program, for an allocation of resources generally within the order of 2.6 per cent to 3.0 per cent of GDP".
33. *Force Structure Review 1991*, paras. 3.2 and 1.10.
34. That the conservative Liberal–National Party Opposition coalition, which traditionally favours defence spending more than the ruling Labour Party, took this position is itself a significant indicator of the changed Australian defence budget climate.
35. Data from T.B. Millar, *Australia's Defence* (Sydney, 1965), p. 176. This compares with the modern ADF strength of 64,032 (and regular army of 28,730) as at 31 March 1993.
36. Note that as recently as 1988 the regular ADF numbered more than 70,000. See Cathy Downes, "Defence Forces Personnel", in *Security and Defence: Pacific and Global Perspectives*, edited by D. Ball and C. Downes (Sydney, 1990), p. 294.
37. Graeme Cheeseman makes this point in his chapter "Australia's Force Structure Review: The 1987 Defence White Paper Revisited", in *The New Look Defence Force: Perspectives on the Force Structure Review*, edited by Robert A. Hall (Australian Defence Studies Centre, 1992), pp. 29 and 27. Nor will the acquisition of F-111G aircraft entirely solve the problem for the strategic bomber fleet. By the turn of the century significant sensor/weapons upgrades will probably be necessary for all operational F-111 aircraft, and it is likely that at least some F-111G machines will require the same upgrade that the present RAAF fleet is receiving much sooner than that. Recent Defence Department evidence to the Senate Estimates Committee indicated that the F-111Gs would indeed require such an upgrade. See Parliament of Australia, *Hansard*, Senate Estimates Committee B, 10 May 1993, pp. B53–54.
38. It is not suggested that there is any such state at present.
39. Again, one must draw the distinction between posture and inventory. A denial posture does not imply the elimination of all so-called offensive capabilities.

40. *Dibb Review*, pp. 49–52.
41. Parliament of Australia, *Hansard*, Senate Estimates B, 10 May 1993, p. B54.
42. This would be costly but possible and would require a specific decision from the government. It would also be highly visible.
43. "Helicopter support ship to be cancelled?", *Asian Defence Review*, 2/93, p. 96.
44. "Bomber F-111 purchase no threat, says Forces chief", *Asian Defence Journal*, 12/92, p. 82.
45. *Dibb Review*, pp. 129–30.
46. Displacement and gun data from *Jane's Fighting Ships 1990–91*, p. 24. Other ANZAC frigate data from *Ministerial Press Release 153/89* (August 1989) by Minister Beazley (initially announced project cost for eight RAN ships) and Defence Department, *Program Performance Statements 1992/93* (BRP 9.4), p. 325 (also for eight RAN ships).
47. Australia exerted heavy pressure on Wellington to secure the New Zealand order but apparently made significant financial concessions to get it. Figures released in 1992 gave a project cost to Australia of $4,560 million and, on the same basis, gave the project cost to Australia and New Zealand as $5,378m. As shown by the Answer to Part 4 of Question No. 60 (Parliament of Australia, Senate Estimates Committee B, *Additional Information Received*, Vol. I, pp. 122–23), this implies a project cost to New Zealand of $5,378m minus $4,560m (= $818m). Australia's ships have a project unit cost of $4,560m divided by eight ($570m), while New Zealand's is $818m divided by two ($409m). Thus, there is an apparent subsidy of $160m, or $80m per New Zealand ship.
48. The 1963 F-111 order and its anti-Indonesian content is perhaps not wholly irrelevant when considering the impact of the recent F-111G decision.
49. See Gary Brown, "Attitudes to an Invasion of Australia in 1942", *Royal United Services Institute Journal* (UK), March 1977, pp. 37–41.
50. "Singapore establishes flying training school in Australia", *Defence Press Release 33/93*, 22 March 1993.
51. Radio Bangkok, "1993 military exercises with Malaysia planned", *FBIS-EAS-92-222*, 17 November 1992, p. 38. Singapore and Indonesia have been conducting joint bilateral exercises since 1989. The most recent of these was held in central Java late in 1992. Singapore Broadcasting Corporation, "Joint exercise with Singapore begins in Java", *FBIS-EAS-92-226*, 23 November 1992, p. 31.
52. "An exclusive interview with Senator Robert Ray, Australia's Defence Minister", *Asian Defence Journal*, November 1992, p. 12.
53. For instance, deployment of army engineers to Namibia had a significant impact on the residual capability in Australia. Parliament of Australia, Senate Standing Committee on Foreign Affairs, Defence and Trade, *United Nations Peacekeeping and Australia* (AGPS, 1991), paras. 4.13 to 4.16. Likewise, a significant part of army signals capacity is tied up in Cambodia. The initial cost to the defence vote of the Cambodia involvement was $49.1 million, of which the United Nations is expected to reimburse some $21.9 million, leaving a net cost of $26.2 million (Parliament of Australia, Senate Estimates B., *Hansard*, 24 September 1992, p. B312). But the United Nations is often tardy in repayment — according to the Minister for Defence, Senator Ray, "reasonably on time" can mean "three years late for the UN" — thus imposing an additional, if temporary, burden (Parliament of Australia, Senate Estimates B, *Hansard*, 10 May 1993, p. B43).
54. Lest it be thought that the case of the ANZAC frigate is unique, the story of the RAN DDL project two decades ago is instructive. The Light Destroyer (DDL) grew in displacement and capability as design proceeded, but became so costly that it was

cancelled in 1973 while still on the drawing board. An order was placed instead for two U.S.-built FFG-7 frigates.

55. While Australia still relies heavily on the United States for essential supplies in the event of conflict, other states appear to understand that they will either have to acquire *matériel* in advance, as part of their ongoing force modernization programmes, or buy it on the open market if conflict appears likely.
56. *Australia's Regional Security*, 6 December 1989.
57. David Pugliese, "Report Raps Canada Policy to Buy Domestic Arms", *Defense News*, 30 November/6 December 1992, pp. 3 and 20.
58. In 1991, the Australian Regular Army had a teeth to tail ratio of almost 1:4. Only 28 per cent of strength (8,165 personnel) were in frontline combat forces; nearly 55 per cent (16,000) were "logistic, administrative and other support elements not expected to be directly involved in combat operations" and the remaining 16 per cent (4,634) were classified as "immediate combat support elements". These data were from answers to two parliamentary questions: Senate Question No. 353, asked by Senator Durack (*Hansard*, 6 March 1991, p. 1352) and Senate Question No. 556, asked by Senator Newman (*Hansard*, 10 April 1991, p. 2259).
59. A similar process has already taken place in the clothing, textile and footwear industry with numerous jobs lost in Australia in favour of offshore manufacture.
60. Of course, appropriate support arrangements will need to be put into place on a case-by-case basis as, for example, Malaysia appears to be doing with India prior to its acquisition of ex-Soviet MiG-29 aircraft.
61. The Alice Springs facility is presently not intended to form part of the complete operational system. Three stations are desirable because the overall resolution of the system would be better.
62. In fact, the Soviet force at Cam Ranh Bay was relatively small, and strategically isolated from reinforcement and support. In conditions of superpower conflict, it would have been speedily dealt with by the American forces, most likely operating from the Philippine bases. This point was made many years ago by the then Australian Defence Minister, Kim Beazley. See Parliament of Australia, *Hansard* (Representives), 26 February 1987, pp. 805–7.
63. Cameron Steward, "ASEAN talks to offer regional security plan", *The Australian*, 18 May 1993.
64. King Canute (Knut) was a Danish ruler of England (1016–35). The story has it that to demonstrate the limits of power to his court, he sat on a beach and commanded the tide not to come in.
65. Steward, op. cit.
66. To be sure, Russia is in such a state of dependence on external support that for the forseeable future it will not be capable of posing any significant military threat to Japan.
67. "Pentagon tells Japan: Limit arms build-up", *Jane's Defence Weekly*, 10 September 1988, p. 516.
68. I am indebted to Dr Amitav Acharya for a useful discussion of this issue during his 1993 visit to Canberra. I am, of course, responsible for the conclusions drawn here.

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Will Financial Crisis Lead to Doctrinal Renaissance for the U.S. Navy?

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Deep cuts about to be made in American carrier battle groups (CVBGs) are causing considerable alarm among Asian nations which count upon American military support.

Yet this concern is misplaced. CVBCs are too big and cumbersome to be used in the sort of littoral ocean warfare most likely to occur in this region. At the same time, today's precision-guided munitions may offer a better alternative, as they can be launched at greater range and with less risk from smaller and less costly formations. Furthermore, the growing threat to an assembled amphibious force from tactical ballistic missiles is one which is best handled by ships other than a carrier.

Therefore, the current CVBG holiday imposed on the U.S. Navy is a blessing, a chance to retire outdated systems and plough the funds back into a new generation of warships and weapon systems better able to serve the interests of the United States and its allies.

Introduction

American defence watching, particularly that of the U.S. Navy, has become somewhat of a cottage industry in Southeast Asia. Not only does the subject generate interest because of the reliance in this region upon the U.S. security umbrella, but the conflicting nature of the signals emanating from Washington lends itself to endless speculation.

On the one hand, new naval technology offers almost limitless possibilities and presages a revolution in naval warfare perhaps as great as the introduction of the *Dreadnought* battleship or the aircraft carrier. At the same time, the Navy finds itself embroiled in rancorous political debates, Washington budget wars and an overall American decline which may nip this technological revolution in the bud and leave the U.S. Navy an outmoded force, one backed by a bankrupt economy and a depleted technological base.

Given two such widely disparate points of reference, the pundit could argue that the Navy will end the century either as a superman or midget. He would have adequate data to support his assertion either way. One's prognosis of the U.S. Navy in the next decade largely reflects one's perspective and the relative weight one gives to technological and political forces which are moulding the service. This article will attempt to do justice to both viewpoints.

The Politics of Decline

To military planners for whom the arrival of the U.S. Navy figures at least in part into their calculations, the signals from Washington during 1993 have been far from reassuring.

The Clinton Administration's plans for cutting billions of dollars from the defence budget and its ongoing defence review has already passed sentence on entire classes of ships which will now be consigned to mothballs. The list includes such labour-intensive platforms as the battleships, but also includes newer cruisers, destroyers and submarines.[1]

Even more damaging to the Navy's long-term health is the erosion of its research and development programmes. The Clinton Administration believes that much of the Pentagon's research and development money is unnecessary, and is either co-opting it for commercial purposes or shifting it outright to other agencies. Defence now takes up 56 per cent of the federal research and development budget; Clinton plans to scale this back, increasing civilian-oriented research funds to more than half the total by 1998.[2]

Clinton has already changed the name of the Defense Advanced Research Projects Agency (DARPA) to the Advanced Research Projects Agency (or ARPA). The emphasis will now be on dual-use technologies, those that have civilian as well as military applications.[3]

The danger for the Navy is that while high definition display technology and micro-electronics have obvious applications in both the military and civilian realms (and are heavily funded in the proposed fiscal year 1994 budget),[4] programmes upon which the military had counted heavily such as stealth technologies may be in for hard times.[5] For example, to date the primary spin-off from the Pentagon's massive stealth programme has merely been in composite materials fabrication and structures, not something which sits well with the new administration's focus on military technology which can be siphoned into the civilian realm.[6]

Secretary of Defence Les Aspin also seems keen on using the military as an economic prop. He is the author of a build-to-prototype programme which puts the emphasis of defence research upon advancing America's overall technological competence at the expense of actually fielding new weapon systems. Under this plan, the Navy would be allowed to develop the technology for its next generation of weapon systems. It could create new blue-prints, build prototypes and then test those prototypes. But then — and this is the catch — Aspin would not allow the service to start full-rate production of those systems. Instead, the Navy would build only a few systems, or would simply put the technology on the shelf. It would then start work on the next generation of technology and the cycle would repeat itself. Only after the third generation of technology emerged could the Navy proceed to re-equip itself.[7]

Aspin claims that his programme would save money, but the plan could result in U.S. sailors using older technology for longer periods of time. Worse, such a plan could leave the United States dangerously deficient in manufacturing expertise. To give some examples, the Navy will finish its last *Seawolf* submarine by the mid-1990s, leaving its submarine production facilities dormant until fiscal year 1998.[8] Merely possessing such technology may mean nothing if to deploy it companies must re-start cold production lines and re-learn manufacturing techniques.

Coupled with this erosion of its technological base, the Navy must also handle a multitude of new tasks thrust upon it by Congress and the Administration, some having only marginal relevance to defence. The Navy is increasingly being called upon to prosecute the drug war, an issue of importance to Americans at home but of little strategic significance. Historically, America's military has resisted such a mission, detracting as it does from its chief function of thwarting military aggression. During the early Bush years, the Pentagon maintained that the drug war was not a supply problem, but one of demand. Seal up the borders, they argued, and the drug lords would manufacture drugs within the United States (designer drugs, LSD, amphetamines, hash, marijuana and numerous others can all be produced within the United States).[9]

Yet Congress, anxious to curry favour in its home districts, held out a carrot by indicating its willingness to fund programmes aimed at eradicating the drug trade. Four years later, the Navy is now an active drug-war participant. Furthermore, many of the Navy's budget submissions are now justified in part with a reference to their utility in fighting drug smugglers. The drug war now figures prominently in justifications for such things as the V-22 tilt-rotor programme and the Navy's coastal patrol vessel budget.[10] Unfortunately, what is good for the goose is not always good for the gander; a Navy focused on a drug war has less time to prepare for its primary job of fighting conventional conflicts.

Added to this extra burden placed upon the Navy by the drug war is the new task of playing nurse-maid to unemployed Americans at home. The service had hoped to maintain its fighting fitness through the coming lean budget years by closing down many of its outmoded bases.[11] The Clinton Administration, however, has told the military that the services will have to pay large sums to retrain and relocate civilians who had relied upon those bases for their livelihood. In the short run, therefore, base closures may end up saving the service very little money at all.

The Navy is losing congressional support. Representative Ron Dellums of California now heads the House Armed Services Committee (HASC). Dellums was the author of legislation intended to kill the Air Force B2 programme, and he will probably demonstrate equal resistance to the Navy's budget requests, particularly aircraft accounts.

The Senate Armed Services Committee is headed by Sam Nunn of Georgia. His "burden-sharing" initiatives continually pose the question as to what America's defence of its allies does for its own people at home. His amendments, which had never left the Senate floor, have nevertheless served for years as an opportunity for the law-makers to give a ritualistic bashing of America's allies. He too can be little counted upon to help the Navy, whose primary mission remains one of supporting the very allies Nunn is attacking.

In the face of these developments, the Navy has lost its major ally in Congress. Representative Charles Bennett was a Florida Democrat who used his position as Chairman of the HASC's Subcommittee on Seapower and Critical Materials to restrain his colleagues. Bennett has retired, and the 103rd Congress has eliminated his subcommittee.

Politics and Procurement

The impact of these political changes has already made its mark on the Navy's procurement plans, and many programmes are in serious trouble. In the aviation account, the A/F-X has become a victim of Secretary of Defence Aspin's build-to-prototype plan.[12] The Navy is also ready to give up on the Joint Strike Fighter (JSF).[13] While the Navy will at least be allowed to keep its technology current, its airmen will still be using vintage aircraft of the 1970s until the turn of the century.

Naval aviation can ill-afford such a blow. Its current bomber, the A-6, is a plane which dates from the Vietnam War. With the cancellation of the A-12 programme by the former Bush Administration and the successor programmes now reduced to mere technology demonstrators, the Navy must now make do with jury-rigged F-14 fighter bombers.[14] For the longer term, they may — or may not get — the F/A-18 E/F, an improved version of a light strike fighter. Long-range air defence will still fall upon the F-14, a plane which carried Tom Cruise to fame in the movie *Top Gun* but whose low power-to-weight ratio and lack of stealth features will increasingly stand against it as the century draws to a close.[15]

The big carrier force has been targeted for cuts by a hostile House Armed Services Committee for years. Now that the Committee's former congressman sits in the Secretary of Defence seat, these cuts are about to become a reality. Secretary of Defence Aspin will cut the Navy carrier force to eleven ships, with a further one in reserve.[16] Criticisms of the carrier centre not only on the manpower that each absorbs, but upon the requirement that each be accompanied by a large contingent of anti-air and anti-submarine surface ship escorts, fast nuclear submarine scouts and replenishment ships to sustain the lot.

Indeed, for years Navy budgeteers took advantage of this carrier support vessel synergy to ratchet up budgets by requesting a carrier from Congress, then returning the next year to explain how the purchase of the carrier also required the purchase of the complementary force. "It is rather like pulling worms from a can when you are fishing", said one Navy officer who asked not to be identified, "you tug at one and find that the rest are all attached". Now Aspin intends to work this process in reverse, killing carriers and with them the rationale for large forces of surface, submarine and support forces.

The only defence budget increase promised by the Clinton Administration is for sea-lift.[17] Unfortunately, the pressure for bolstering the sea-lift account comes not from the armed services committees of the House and Senate, the organizations most concerned with strategic issues, but from the House Merchant Marine and Fisheries Committee. The latter body is less concerned with issues of defence and more preoccupied bolstering America's flagging merchant marine. The Navy will get some useful capabilities out of this initiative, but will become even further entrenched as the nurse-maid to yet another uncompetitive portion of the American economy.

Clinton also remains committed to funding the V-22 tilt-rotor plane.[18] The Pentagon has long maintained that this aircraft is a nice-to-have system, but not one which is critical. However, the V-22 is a project which enjoys the support of the Texas and Pennsylvania congressional delegations, and it has risen Lazarus-like from every Pentagon attempt to kill it.

Decline of Carrier Force may be Blessing in Disguise

Yet, before one looks at the decline of America's carrier and airwing strength and bemoans the future, one ought to ask oneself what is really being lost. Reductions of shipbuilding funds and cuts in the Navy operation and maintenance accounts mean that the Navy carrier force will be reduced to eleven active units in the next few years; carrier down-time for maintenance, training or transit will mean that the Navy will not always have a carrier ready for every crisis. The cancellation of new aircraft programmes will leave these carriers with increasingly elderly air wings, reducing the effectiveness of whatever carrier force that can be mustered.

These trends presage the end of massive Navy carrier deployments. However, they do not presage the end of the Navy *per se*.

The carrier and its associated carrier battle group (CVBG) have long been the target of critics both inside the service and in Congress who argue that the entire system is an enormously expensive and elaborate way to simply get a few medium bomber aircraft over an enemy target. Critics note that far too much of the force is simply devoted to protecting the carrier or to suppressing enemy defence to allow bomber penetration, making the entire lot a clumsy weapon and a poor investment.[19]

Of concern to the ASEAN countries, the CVBG has always been optimized for blue ocean warfare, and has shown itself of limited utility in coastal regions. Specifically, any carrier force intervening in this region would be operating in narrow straits and seas. It would have to fight in shallow water, with all the attendant risks of mines and diesel-electric submarines. It would have to fight close to land masses which provide cover and the potential for ambush by hostile fast-attack craft, and land-based air and shore-based cruise missiles. In the past, the United States had shown a reluctance to allow its CVBGs to fight under these conditions.[20]

This reluctance goes back decades, indeed to the formative years of carrier aviation. World War II demonstrated the potency of America's fast carrier task forces as they destroyed the Japanese fleet at Midway. Yet that war also exposed the limitations of such forces, as those same carrier forces refused to venture into the confined waters around the Solomon Islands, leaving the marines there to face, unprotected, the wrath of the Japanese Navy night after night.[21]

Fifty years later, the limitations of carrier battle groups in littoral waters revealed itself in the Persian Gulf. Carriers did not sail into the Gulf during Iran's tanker war, although the presence of even one CVBG off Kuwait would have sent an unmistakable signal to Tehran and would have eliminated the chance for any further speed-boat attacks.

Carriers were also noticeably absent from those waters after Saddam Hussein invaded Kuwait. American CVBGs hovered in the Red Sea and Gulf of Oman, forcing vulnerable transports to sail with only surface escort into Bahrain and the Saudi ports on the Gulf. Marine amphibious shipping also operated forward of the carriers, a reversal of age-old naval doctrine which demands that a fleet should position itself between its troopships and any hostile force. One may say that the carriers provided useful distant cover, but which self-respecting shepherd sends his sheep where he refuses to set foot himself?[22]

In short, therefore, what the Navy will shortly lose is equipment, the usefulness of which is perhaps over. It is equipment intended to take on a Soviet threat in mid-ocean, not one ideally configured for operations in littoral waters. The observer, therefore, should focus not on what is being cut, but what is being procured to fill the void.

The Opportunity of Technology

Clearly, the CVBG is not only a force under attack because of its cost, but one which should be under question for its uneven tactical utility. The U.S. Navy may now be in a position analogous to the shipbuilding holiday imposed by the Washington and London naval disarmament conferences between the two world wars. And as it did then, having limitations placed upon its existing heavy units may cause the service to look in creative ways at new technology and come out the stronger for it. In the 1930s, the answer was the aircraft carrier. In the 1990s the answer may be its replacement.

Something of the technological revolution overtaking sea warfare revealed itself during Operation Desert Storm and, more recently, during the 27 June 1993 U.S. attack on an Iraqi intelligence complex in downtown Baghdad. Long-range cruise missiles supplemented or even replaced conventional air attacks, with satellite imagery providing both targeting data and most of the post-attack damage assessment.

These battles demonstrated the advantages of this system over the traditional CVBG strike package. The most obvious difference is the range over which a battle can be fought. In the 1982 Falklands War, the diminutive carrier planes used by both sides were of such short range that the opposing fleets could not launch a strike beyond 200 nautical miles. Current high-performance carrier attack planes such as the F/A-18 have a radius of under 700 miles. The proposed joint strike fighter would have had an attack radius of only slightly more than 250 miles.[23]

A second issue is risk. Air operations during Operation Desert Storm, in Libya, Lebanon and even in Somalia exposed U.S. pilots to the risk of death or of political humiliation if captured. The cruise missile is expendable and carries with it no such liabilities. No pilot is placed at risk, only a weapon system which is destroyed anyway if it does its job correctly.

Because they do not put pilots at risk, cruise missiles can attack unsupported. Manned bomber strikes require a formidable armada of support planes — electronic counter-measure aircraft, fighter escorts, defence suppression and tanker airplanes — to ensure their safety. Cruise missiles are by their very nature expendable and can attack even the most well-defended targets unaided.

Attack bombers must also be launched and then recovered after their mission, necessitating the use of one or more aircraft carriers. Each carrier is a multi-billion dollar system manned by thousands of sailors. It is pegged around a host of supporting ships — air defence escorts, anti-submarine escorts, tankers and replenishment vessels. As already noted, the U.S. Navy has shown a marked reluctance to risk such a valuable force to ambush in confined waters such as those of the northern Persian Gulf.

Cruise missile attacks such as during the Persian Gulf war and the more recent strike on Baghdad in June were launched from destroyers and cruisers — smaller, cheaper, less vulnerable ships which could be sent into troubled waters unassisted.[24] Because the cruise missiles are expendable, such ships are freed from the dangerous task of waiting to recover the attackers after the raid; they can simply shoot and retreat.[25] In more dangerous situations, such cruise missile attacks can be launched from submarines, ensuring an even lower level of risk.[26]

Operation Desert Storm already showed how the cruise missile could be integrated into a much larger attack. There, the cruise missiles were used as a first wave, knocking out communication nodes and radar installations, thus paving the way for follow-on waves of manned bombers.[27]

For the future, cruise missiles offer the Navy an alternative to building costly new generations of stealth bombers. Put simply, once a cruise missile attack has knocked out the enemy radar grid, then all Navy aircraft become stealthy. If carrier aviation is merely consigned to the follow up waves (augmenting precision attacks by cruise missiles with the greater bomb load and targeting flexibility of manned aircraft), then there is little justification for the purchase of ultra-expensive aircraft with a potentially redundant stealth capability.

Protecting shipping at sea is also becoming less and less the sole province of the carrier. The Pentagon, Congress and the White House have all recognized that the greatest threat to any American expeditionary force would come not from attacking aircraft but from tactical ballistic missiles armed either with nuclear or chemical munitions and targeted at landing beaches, airheads and amphibious ships marshalled offshore.

This experience was borne out in the Gulf War where Iraqi aircraft were reduced to sub-atomic particles in their hangars or shot from the sky with contemptuous ease. Iraq's tactical ballistic missile force, on the other hand, even when equipped with old Soviet SCUD missiles given extended ranges using sloppy Iraqi missile technology, successfully played hide and seek with bombers sent out to destroy them. While their attacks with conventional munitions on Riyadh and Tel Aviv were a failure, they might have posed a more substantial danger had such weapons been armed with nuclear warheads.

As a result of this lesson, the United States has now re-oriented its Strategic Defense Initiative Organization (SDIO) to counter tactical ballistic missiles.[28] Kills made during the boost phase would probably be an Air Force matter and therefore outside the purview of the Navy.[29] However, the ground-based portion in the near term would probably cobble a phased-array radar to new computer architecture and a new ship-launched interceptor.[30]

Such a system would go to sea aboard an anti-air cruiser or destroyer. Indeed, Japan (which is an SDIO participant) has already experimented with modifications to give the SPY-1D radars aboard its *Kongo*-class destroyers the ability to track and target incoming ballistic warheads.[31] The U.S. Navy also made a cursory study into such a capability when it outfitted its *Aegis* cruisers with the SPY-1A system, and will probably make the necessary modifications in the near future.[32]

In any future conflict, therefore, tactical ballistic missile defence is liable to be a multi-layered approach, including Air Force boost-phase interceptors and exo-atmospheric projectiles fired from anti-air warfare cruisers and destroyers. A critical element of maritime air defence will therefore have passed out of the carrier's hands entirely.

The fleet's theatre-level nuclear deterrent is also moving from the carrier to the surface ship. During the Persian Gulf war, the American naval force maintained a stock of nuclear weapons to retaliate against Iraqi forces if the latter should use their stock of chemical weapons against the coalition forces. The primary platform for this deterrent was not a carrier, but the cruiser *San Jacinto*, which was outfitted with approximately 100 *Tomahawks*, a number of them nuclear-tipped.[33]

Much of the command, control, and communications functions are also shifting from the carrier to the surface ship. The Saratoga CVBG in the Operation Desert Storm conflict was conned not from the carrier but from the cruiser *Philippine Sea*.[34] The case against the large carrier as the fleet flagship is again compelling: the powerful radar systems carried aboard an escort present the commander with the most comprehensive picture; furthermore, a flagship must use powerful transmitters, the electronic emissions from which are disruptive to sensitive aircraft avionics.

Properly managed, these developments offer the Navy a way out of its current predicament. If the carrier loses its command function, if its strike aircraft merely serve as a follow-on to cruise missile strikes, if its interceptor squadrons must play second fiddle to surface-based ballistic missile interceptors and if its reconnaissance aircraft become merely an adjunct to satellite reconnaissance, then the carrier will merely be relegated to the role of a flat-topped vessel from which planes are launched. Stripped of its *coup de main* role, the carrier force may be adequate at eleven or even fewer units. The Navy may be able to make do with existing hulls, updating and overhauling them to keep them operational well into the next century.

Freed from the need to maintain a large standing force, the Navy could turn to fielding new generations of technology: stealthy cruise missiles, anti-tactical ballistic missile defence, autonomous underwater and air vehicles, and more competent computer software. It can repackage these systems in smaller surface and subsurface vessels, freeing itself from the clumsy and expensive carrier battle group.

While the reading of tea leaves is an inexact science, preliminary indications from Washington are that this is the direction in which the Pentagon's civilian seniors are pushing the Navy. Faced with a declining budget, the Pentagon is taking large cuts from its personnel accounts. Gone also will be many of the bases which once housed these people. The U.S. Navy has been told to retire all of its older, labour-intensive warships, and even put newer ones into mothballs.

The money saved from this will be spent on new generations of smart munitions. For the Navy, this means new generations of cruise missiles, sensors, and anti-tactical ballistic missile systems.

Significantly, while budget cuts have left the Navy's manned aircraft programmes in shambles, its smart munitions programmes have fared far better. The Navy first lost its A-12 programme, now it may lose the successor A/F-X programme.[35] However, the Navy's share of stealth research is still healthy, buoyed by the promise of a near-term fielding of a stealthy cruise missile.[36] Most recently, Secretary Aspin authorized the service to begin work on the Joint Advanced Strike Technology Programme. This is intended to field precision-guided munitions, new generations of unmanned systems and advanced mission planning techniques no later than 2010.[37] In short, the Navy is still on track to get a stealth bomber, but most likely this will form a new generation of stealthy cruise missiles.

Similarly, the Navy's plans for a new fighter are in jeopardy; no one knows what such an aircraft will even look like, let alone whether it will be funded. But while the Congress and the Clinton Administration may kill new fighter programmes, they are giving priority to getting the Navy an anti-tactical ballistic missile capability.[38] The Navy will certainly get its new interceptor, but it will probably be in the form of unmanned exo-atmospheric weapons coupled with upgrades to its Aegis-equipped *Ticonderogas* and *Burkes* to allow these ships to bring down incoming ballistic warheads.

Conclusion

In short, budget austerity, dilution of mission and force cuts are a part of the Navy's future. But so too are the possibilities offered by technological revolution. The Navy has an opportunity to do some attic cleaning, dispensing with outmoded platforms and sweeping out old dogmas. Perhaps its current financial crisis will force it to innovate much more quickly.

Unlike its forebears who pioneered *Dreadnought* battleships or carrier aviation, today's Navy will have to accomplish this revolution in the face of declining budgets and a political leadership which is showing increasing apathy on defence issues. But the penalty for doing nothing means that the Navy will dwindle away as a significant fighting force.

Much therefore depends on how the U.S. Navy manages change. Adrift on a budget in shambles and in danger of capsizing, the future of the Navy now depends on whether it can rise to the challenge and turn adversity to its advantage.

NOTES

1. Telephone interview with Lt. Cmdr. Bruce Cole, Office of the Naval Chief of Information, Washington, D.C., 25 August 1993. Cole confirmed that his service would be cut to a 450-ship base force by 1995. This would include 150 surface combatants: 12 active carriers (one of which would remain in reserve), 80 attack submarines and 50 amphibious ships. Active surface warships would be reduced to 100 by 1999, at which time most surface ships outside of the *Ticonderoga* class cruisers, *Burke* and *Spruance* class destroyers would be scrapped or put in reserve. This is far short of the 600-ship force envisioned in the 1980s, which would have included 15 deployable carrier battle groups, 4 battleships and 100 nuclear submarines.
2. Telephone interview with Jim Turner, Office of the Secretary of Defence, Washington, D.C., 25 June 1993. This is in line with numerous statements made in public speeches by both President Bill Clinton and Secretary of Defence Les Aspin. It is also a major aspect of Aspin's "Bottom Up Review" of Pentagon missions and needs.
3. Telephone interview with Jim Turner, Office of the Secretary of Defence, Washington, D.C., 25 June 1993.
4. Secretary of Defence Les Aspin, oral testimony delivered before the House Armed Services Committee, Washington, D.C., 17 May 1993. Secretary of Defence Aspin listed high-definition televisions, advanced materials, micro-electronics, x-ray lithography and flat panel displays as priority items. At the same hearing, Aspin proposed spending US$1 billion to commercialize defence technology.

5. Interview with Rockwell engineers, Rockwell Anaheim Aircraft Plant, Anaheim, California, 10 May 1989. Stealth aircraft such as the B-2 rely heavily on the use of non-radar reflective material such as carbon fibre. The engineers said that the principle commercial spin-offs from their work were in the area of carbon-on-carbon bonding and carbon-on-metal bonding. They could not see much use for the stealth technology itself in any commercial market, nor did they think the infra-red signature reduction technology which went into the B-2 had many civilian applications.
6. Japan is widely perceived to be ahead of the United States in the areas of semiconductors, micro-electronics, robotics, photonics, superconductivity and biotechnology.
7. Les Aspin, oral testimony delivered before the House Armed Services Committee, Washington, D.C., 17 May 1993. Aspin was merely summarizing his plan, which he had outlined in numerous previous speeches before the House Armed Services Committee.
8. Telephone interview with Edward Lefevre, General Dynamics Spokesman, Washington, D.C., 16 March 1993.
9. J. Daniel Howard, Assistant Secretary of Defence for Public Affairs, press briefing to the Pentagon Press Corps, Washington, D.C., 5 March 1989.
10. U.S. Department of Defence, Fiscal Year 1994 Budget. Submission to the U.S. Congress, Washington, D.C., 1993.
11. Representative Jim Courter (D-N.J.), press briefing to the Capitol Hill Press Corps, Washington, D.C., 27 July 1993. Counter stated that possible 1995 base closures under consideration by his Defence Base Closure and Re-Alignment Committee include Everett, Washington, and the Long Beach Naval Shipyard in California.
12. Secretary of Defence Les Aspin, oral testimony delivered before the Senate Armed Services Committee, Washington, D.C., 21 September 1993.
13. Vice-Chairman of the Joint Chiefs of Staff Admiral David Jeremiah, press briefing to the Pentagon Press Corps, Washington, D.C., 22 June 1993. Jeremiah voiced his acceptance of Aspin's build-to-prototype programme. He said that going to full or even low rate initial production of the JSF would be "premature" since the plane will not be needed until the next century. In response to a query from the author, Jeremiah's office confirmed that the Navy planned to build only two prototypes. His office also confirmed that the JSF programme supersedes the joint-attack fighter programme.
14. Secretary of Defence Les Aspin, oral testimony delivered before the Senate Armed Services Committee, Washington, D.C., 21 September 1993. Aspin has already instructed the Navy to give 200 or more F-14s a head-up display and a precision-bombing capability.
15. Ibid.
16. Ibid.
17. In September, the Navy awarded a US$1.3 billion contract for six new strategic sealift ships to National Steel and Ship Building Co. of San Diego. This follows on the heels of contracts to this shipyard and Newport News Shipbuilding for converting five existing hulls to roll-on/roll-off hulls. Telephone interview with Jim Turner, Office of the Secretary of Defence, Public Affairs, Washington, D.C., 27 September 1993.
18. Telephone interview with Jim Turner, Office of the Secretary of Defence, Public Affairs, Washington, D.C., 27 September 1993.
19. Stephen L. Ryan, "Giant Killers for the Next Century: The Role of Destroyers in Modern Warfare", *Journal of Defense and Diplomacy* 6, no. 5 (May 1988): 19.
20. Ibid., p. 17.
21. Ibid., p. 16.
22. Stephen L. Ryan, "Withdrawal of Independence shows Navy's Achilles Heel", *Navy News and Undersea Technology* 7, no. 47 (November, 1990): 1.

23. Telephone interview with Lt. Cmdr. Bruce Cole, Office of the Chief of Naval Information, Washington, D.C., 24 June 1993. Cole said that Navy requirements called for an aircraft with a range of 965 km. The office could not confirm whether this was for a clean airplane or a bomb-laden craft. If the case is the former (which is the more likely possibility) then the range with a full load of ordnance would be substantially less. Since aircraft attack profiles require a low altitude approach, an attack mission would necessarily be carried out at even closer range.
24. The Navy's primary cruise missile platforms are the *Ticonderoga* and *Spruance* class ships. The former is an Aegis cruiser which routinely carries 48 *Tomahawks.* One hundred or more can be carried if the ship's anti-air role is given low priority. The latter carries some 61 cruise missiles. Neither ship has a crew greater than 375 personnel; neither weighs more than 9,600 tons, making their employment inherently less risky than a full carrier force. Both are equipped to deal with submarines and surface ships — the Aegis cruiser also boasts an impressive anti-air capability — enabling them to operate without the aid of a supporting task group.
25. Land attack cruise missiles, such as the *Tomahawk*, rely on inertial navigation and terrain counter matching, which correlate radar altimeter readings to topographical maps stored in the missile's on-board computer. They fly autonomously and require no updating after launch. The missiles will soon get Global Positioning System receivers to enhance their accuracy, particularly over water or featureless terrain.
26. Such an attack would, however, consist of fewer missiles. Later models of the *Los Angeles* submarine carry either 12 or 15 *Tomahawks* in vertical launch tubes set between the pressure hull and forward sonar housing. However, Central Intelligence Agency analyst Michael Dennis told the author in August 1990 that a full load of such weapons would so unbalance the boat that much of the forward torpedo/missile magazine would have to be emptied, suggesting that a boat configured for shore bombardment would be able to do little else during the mission.
27. U.S. military planners have long been intrigued by the idea of inflicting a decapitating strike on the enemy, knocking out its command centre and communication nodes and leaving the rest of the enemy forces paralysed. Some historians claim that this task was made more easy since Saddam Hussein, fearing a coup by his own air force, insisted that all air defence command posts be built invulnerable, above-ground structures. See Norman Friedman, *Desert Victory* (Annapolis, MD: Naval Institute Press, 1991), p. 157.
28. The new name is the Ballistic Missile Defence Organization, or BMDO.
29. One of the more promising systems is a kinetic energy weapon carried aloft aboard an unmanned air vehicle, the RAPTOR/TALON programme. See Simon Elliot, "Ballistic Threat", *Flight International* (4–10 August 1993), p. 35.
30. Two contenders now vie for this role. One is the Light-weight Exo-Atmospheric Projectile (or LEAP). In September 1992, the Navy fired a Standard SM-2 Block II missile from the cruiser *Richmond Turner* with a warhead the size and weight of LEAP. Adding a third stage will give the missile the requisite ability to boost its payload into the exo-atmosphere. The entire package of LEAP, the extra booster and the Block 1V SM-2 missile will go before the Defence Acquisition Board for demonstration/validation approval in 1995, according to sources on the board.

    The second contender is a navalized version of the Theater High-altitude Area Air Defence (THAAD) system. Army Missile Command sources at Redstone Arsenal, Alabama, say that they made an initial US$689 million contract with Lockheed in September 1992. This, however, was for a land-based system (two truck-mounted launchers, 20 prototype missiles, and 2 command centres) and not a system optimized for shipboard use.

In an increasingly tight budget environment, THAAD may have the edge. The Defence Acquisition Board allowed the Army to award the THAAD contract, with an option for 40 missiles to be exercised in the event of national emergency. Navy sources say, however, that their service is sticking to its indigenous LEAP programme, arguing that to modify THAAD to use the Aegis tracking and targeting radars, Aegis computer architecture, and Mk. 41 launching system would require so many changes that it would create an entirely new missile anyway.

31. Japan has been an SDIO participant since 1989. The *Kongo*-class destroyer is modelled after the U.S. DDG-51. A source at the Japanese embassy in Washington confirmed that his country had experimented with giving the *Kongos* an anti-tactical ballistic missile capability.
32. Navy sources say that the task is a relatively easy one, since the Aegis system already contains a phased array radar and the necessary computer architecture.
33. During the war, the author reported the outfitting of the *San Jacinto* as a cruise-missile platform but incorrectly identified the payload as conventional. Historians have subsequently corrected this error. See Norman Friedman, *Desert Victory* (Annapolis, MD: Naval Institute Press, 1991), p. 318.
34. This precedent is not new. U.S. forces stationed off Lebanon in the early 1980s were also conned from the Aegis cruiser *Ticonderoga*.
35. A press statement released on 27 July 1993 by the office of the Senate Armed Service Committee Chairman Sam Nunn of Georgia said that the Committee would recommend fully the Senate denial of all funding for the A/F-X.

    The Air Force has also dropped its support for the plane. This service was originally brought into the A/F-X programme to get a replacement for the F-15E, the F-111 and the F-117A. Speaking on 11 May 1993 before the American Institute of Aeronautics and Astronautics, Lt. Gen. Stephen Crocker, Vice-Commander of the Air Force's Combat Command said, "We don't need the A/F-X for the time being". He said that his service's existing tactical bombers would serve for the foreseeable future. His speech was mailed in transcript form to this author on 18 May 1993, by the office of the Chief of Naval Information Office.
36. Sources on the Defence Acquisition Board, the Pentagon authority charged with allocating scarce resources, confirmed to this author in September that research and development funds for Navy cruise missiles were still on the high-priority programme, which was most likely to survive any further budget eviscerations.
37. Secretary of Defence Les Aspin, oral testimony delivered before the Senate Armed Services Committee, Washington, D.C., 21 September 1993.
38. Telephone interview with Jim Turner, Office of the Secretary of Defence, Washington, D.C., 18 June 1993. Turner confirmed that of the US$3.8 billion budget for fiscal year 1994 for the Ballistic Missile Defence Organization proposed by the Clinton Administration, US$1.8 billion was for theatre-level systems.

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BOOK REVIEWS

***Reinventing Vietnamese Socialism: Doi Moi in Comparative Perspective.* Edited by William S. Turley and Mark Selden.** Colorado: Westview, 1993. 358 pp.

Two factors collude to make this book disappointing for a greater part of its 358 pages: the clever title about reinventing socialism and the delay in publication of conference papers which were delivered at a June 1990 Workshop in Hanoi. To term the Vietnamese attempt at economic and political reforms as "reinventing socialism" is not inaccurate. Socialism, after all, is being chopped and changed and altered beyond recognition in Vietnam except that the leadership insists that it is still the country's ideological goal. "Reinventing socialism" unfortunately also connotes a sense of a grand ideological enterprise taking place, which it is not. Vietnam's leaders were forced into reforms and the way they have gone about it makes one suspicious that much of it is extemporizing.

To make matters worse, by now, the story of the ups and downs of *doi moi* (the Vietnamese term for reforms) is rather over-told. Thus, this collection arriving as it does now in 1993 is really long overdue although, to be fair, all the articles have been updated to include events in 1992. But several collections of such essays have already been published, one by the Australian National University in 1992.

The chapters in the book are divided into sub-themes such as economy, agriculture, politics, and society. Part Two on the economy is the most tedious because the issues which two out of the three papers cover are by now common knowledge among scholars. These were prepared by two senior researchers from Vietnam, Vo Dai Luoc and Le Duc Thuy.

As with most learned papers coming out from Vietnam, they are passable in comparison with those produced by the turgid ideologically driven scholarship of the past. But they are still long on description and celebration of first principles, and short on hardheaded assessments. Thuy concludes that efforts at political reforms in his country have not been adequate and if not redressed swiftly, will impede the process of economic reform. But the problem is that he has not bothered to explain why.

Luoc, in his paper on inflation, is even more cryptic. He points out that 1989 had the same per capita food output as in 1982 and the latter was considered a year when the food situation was tight. But, as he indicated quite clearly, 1989 was considered a good year: the country exported food, increased the production of consumer goods, and people put their money in savings deposits as never before. The confusion deepens when the third article in the section on the economy by Hy Van Luong refers to economic recession in 1989.

By far the best paper on the economy is that of Ngo Vinh Long, a historian, and it appears in the section on Agriculture under the title "Reform and Rural Development: Impact on Class, Sectoral and Regional Inequalities". Long makes judicious use of thirty years of statistics published by the General Statistical Office in Hanoi to paint an accurate picture of the economic dislocations that have come with the success of *doi moi*, problems which are only lately being acknowledged in the rural sector. But what was most appreciated in Long's article was his rather lucid account of the political disagreement over reforms which preceded the 1991 Party Congress. Long teaches at the University of Maine and his work is one further example that the best social science research on Vietnam cannot be done by the natives at home. Scholastic works from Hanoi are for the most part still rather exasperating to read and it is not because Vietnamese researchers are inherently inferior to their overseas counterparts. Those familiar with Vietnam are aware that in private conversations, the country's scholars can be rather incisive. It is just that *doi moi* has not progressed far enough in scholarship, at least where published works are concerned.

Another major feature of this volume of research papers is the comparative perspective it offers. Unfortunately, this may once more be a liability of the title of the book. It raises expectations without quite assuaging it. Comparisons attempted between Vietnam and other socialist states in transition can be quite desultory and some of the papers do not even bother to do this. Where they do in a fairly extensive way, as in Mark Selden's "Agrarian Development Strategies in China and Vietnam", it makes the reader wonder what is the purpose of putting the experience of the two countries together. Selden did just that, narrating developments that took place separately in China and Vietnam, at the end of which crystallized thinking about what one country's method meant for another was not clear. Selden's co-editor, William Turley, did not do a better job of comparison when he dealt with "Party, State and People: Political Structure and Economic Prospects". In parts, the comparative perspective was rather inane in his work.

The two sections on Politics and Society have interesting papers by Brantly Womack and David Marr. Womack's analysis of the options open to Vietnam is an intellectually rigorous effort and his comparative perspectives are also useful and thoughtful; Marr on his part provides a rare look into the world of research and media in Hanoi.

However, a paper by Kristin Pelzer, "Socio-Cultural Dimensions of Renovation in Vietnam: *Doi Moi* as Dialogue and Transformation in Gender Relations" should have been better left out of this book. Her topic is interesting and deserves attention because most research is so taken up with the conventional issues of politics and economics. Unfortunately, her methodology is extremely questionable and the conclusions drawn lack depth. She analyses the significance of beauty pageants in Vietnam as reported in Thai newspapers. An *Asiaweek* cover picture of a Vietnamese woman entrepreneur also becomes a paragraph of serious musings on the role of women in capitalism or socialism. It may not have occurred to her that the picture could just have been the quirk of the magazine cover design artist, no more, no less. A few other pop icons are thrown in as well with the hit musical *Miss Saigon* and the movie *Full Metal Jacket*. About the only thing that can be taken seriously in this paper is her straightforward retelling of the controversial short story and movie, *The Retired General*, by Nguyen Huy Tiep. Tiep provides her with engaging material about the collapse of the old cultural order and assumptions as reforms plough ahead in Vietnam.

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***Mirror on the Wall: Media in a Singapore Election*. By Eddie C.Y. Kuo, Duncan Holaday and Eugenia Peck.** Singapore: Asian Mass Communication Research and Information Centre, 1993. 132 pp.

The title of this slim volume is allusive: not unlike the relation between Snow White's stepmother and her fabled mirror, the political leadership in Singapore looks for meticulous accuracy from its media reports, yet grave consequences may ensue if the latter's pronouncements fail to accord with the expectations of its principal beholder. As a result, the media in Singapore is kept on a very tight leash.

The authors of this book point to what they call an "inherent contradiction". On the one hand, there is the open free market economic system on which Singapore thrives, and which crucially depends on the unimpeded and impartial transmission of information. On the other, we have a media system with near monopolistic control over that information flow, yet whose output is closely circumscribed by government supervision and by its own self-imposed constraints. In consequence, the media in Singapore suffers from a certain lack of credibility. It is this problem of credibility which the book examines through a study of the role of the media in the 1991 Singapore general election.

This is an important and original book, path-breaking in its use of empirical methods to survey attitudes within the general population and to rigorously analyse media content. While social scientists in countries such as Hong Kong, Taiwan and South Korea have empirically documented changes in social attitude as a consequence of modernization, which has profound political implications (the work of scholars such as Lau Siu Kai and Shin Doh Chul spring to mind), their academic counterparts in Singapore had previously not shown a ready inclination to follow this lead.

Kuo, Holaday and Peck set a precedent in their attempt to conduct such a study in Singapore. In this exercise, despite being handicapped (possibly critically) in various ways, they have not held back from coming to interesting and provocative conclusions.

The 1991 election was, in some respects, a rather singular event. It was called a snap election by the new Prime Minister Goh Chok Tong, who was seeking a mandate for what he termed as his more consultative style of leadership. At the outset, Goh set out his agenda for the election campaign, which moved swiftly to the vote in 18 days. The opposition parties conceded a majority of seats without contest; but in the remainder, the ruling party did less well than it had hoped for. The book here observes that the political leadership was not able to set unchallenged the agenda for debate during the campaign, even though it had the media behind it. The opposition managed to assert its concern over ethnic issues; and, despite being somewhat played down during the campaign itself, issues relating to the rising cost of living were increasingly forced on the political leadership's attention.

The survey carried out by the authors was taken immediately after the poll, and covered two constituencies, only one of which was contested by the opposition. In this constituency, only 60 per cent of respondents chose to indicate how they voted. Some 34 per cent of the whole sample refused to answer any questions relating to election issues. Such a level of abstention must seriously weaken the statistical reliability of the results achieved. The authors note that relatively few of these abstainers (compared to the overall sample) reported that the media was unfair. This finding raises the uncomfortable question: were these, and perhaps other respondents as well, simply saying what they felt they were expected to say (a not uncommon attitude in Singapore's tightly controlled society)? How then are we to determine the thinking of those who were unwilling to express their views? This area of uncertainty limits the validity of much of the findings set out here.

The authors compare their survey results with a content analysis of election coverage in the local newspapers (all, except for one minor Tamil language paper, owned by the same company) and of television coverage provided by the Singapore Broadcasting Corporation. The latter analysis provides an official agenda of election issues emphasized by the media; while the survey provides a public agenda of issues of concern to the electorate. The comparison shows a weak correlation between official and public agendas. It also supports the hypothesis that while public discussion of issues may be limited by government policy or pressure, it is not so easy to similarly restrict public awareness of those issues. Indeed, the authors argue that some 17 per cent of their total sample (whom they label as "Critical Voters") were not ignoring the media, but were interpreting newspaper and television reports in terms of what was not being said, and questioning the emphasis placed on particular "official" issues.

These results were also consistent with the survey findings that the official media suffer from a serious credibility problem with the public. Only 40 per cent of respondents were prepared to describe newspaper election coverage as "fair"; the corresponding figure for television coverage was 38 per cent.

One interesting omission from the compass of this study was foreign news media coverage. Three Malaysian television channels are received in Singapore; the BBC World Service is clearly heard; while the government's battles with the foreign press are famous. Most recently, *The Economist* has felt the effect of official "gazetting", which restricts local circulation; while the *Far Eastern Economic Review* (accused of unwarranted interference in domestic politics through its news coverage) has had its local presence reduced literally to a shadow of its former self. Did none of the foreign news media play any part in shaping the public agenda (particularly among that minority of "critical voters") not just during, but also prior to the election period?

Despite its limitations, this book is a significant new study of an important aspect of Singapore politics, which moves beyond previous analytical research based largely on general observation and a reliance on local news reports (which, as this study convincingly shows, face an evident credibility problem). It is to be hoped that this study will be a harbinger of more rigorous analytical research to come. Already, its results provide much meat for current debate on the state of Singapore politics. In the Singapore context, the government too might wish to reconsider its policies towards the news media in the light of the book's findings and the leadership's own apparent misreading of the electoral mood. As Leslie Fong, editor of the *Straits Times* recently observed: "treating the press and, by extension, the public, as if they were incapable of thinking for themselves not only demoralizes journalists but also retards the maturing of Singaporeans as a whole. In the end, given that a credible, responsible and responsive press can only be good for Singapore, those who have to deal with it must ask themselves whether what they do, or do not do, will help or impede its growth" (*Straits Times*, 4 September 1993).

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***Singapore Changes Guard*. Edited by Garry Rodan.** New York: St. Martin's Press, 1993.

What are the characteristic features of the state of Singapore? As I see it: able and intelligent government, remarkable economic achievements, high level of public services (housing, transport, city planning, green environment, and so forth), and citizens who are expected to work hard, and consume, but not to interfere (except, potentially, once every three or four years) with the processes of government.

The notion of a domesticated (political) but productive (economic) citizenry is officially justified in "neo-Confucian" terms: notably, discipline, respect for authority, and precedence of society over the individual. The dilemma, however, is that the values that help to maintain an orderly and compliant political system are not the ones that will stimulate the economic dynamism that a truly competitive Singapore will increasingly require in the global market-place.

To go fully over to "free market" values, including innovation, individual initiative and the will to win (over others), on the other hand, can only have disturbing effects on a paternalistic, one-party government and a submissive society — or rather, it will necessitate a different kind (a more recognizably Western kind) of politics and society.

There is a further consideration. It stems from the old idea, now given new prominence, that people "make themselves" by their choices in life. Thus, the character of a person is formed by the choices he or she makes when faced with certain limiting conditions. If these are conditions of extreme poverty, then obviously the only choice is to survive. But as economic conditions improve, so the range of choices grows, and the greater is the opportunity to develop a mature character. A whole personality, in this sense, is not restricted only to economic issues.

Such, at any rate, are the views of this reader — views that have been stimulated by the book that is under review.

Singapore Changes Guard is a thoughtful collection of essays: informative, analytical, comprehensive and comprehensible. Where there is criticism, there is usually — not always — a reasoned explanation. Half the book is on politics or political culture, and the other half on economics or economically-linked social issues. J.L. Margolin's conclusion that Singapore is a "viable combination of high growth, social development and authoritarian polity" would no doubt be shared by most contributors.

Certainly, the assessment of political stability, administrative-technocratic skill and economic progress appears regularly in foreign, especially business, reports on Singapore's competitiveness. Given the economy's crucial importance (supported by political controls and administrative efficiency), it makes sense, I believe, to reverse the order of the book: to begin with economics and end with politics.

Such a reversal, at first glance, has the added attraction of starting with straightforward "technical" issues, on which there is substantial agreement, before moving on to the more debatable political and cultural arena. On reflection, however, even economic policy has political implications.

Thus, Cheah Hock Beng warns that in an era of more intense global competition, problems of higher wages, labour expectations of better work conditions, appreciation of the currency, and domestic pressure for political reforms will arise.

Chris Leggett, in turn, reports on Singapore's "unique" labour relations. The labour movement complies with government directions; yet it also successfully "resocialises" the work-force. Nevertheless, he cautions that rule by a "meritocratic elite" stifles initiative, by preventing the expression of alternative views.

Linda Low, on the public sector, argues that despite the rhetoric of privatization and emphasis on market forces, the role of the state is still very evident in macro-economic management and in the array of statutory boards and government-linked companies. There may be a need for still more government support to provide a better educated work-force, and to help enterprises (lacking economies of scale) to develop.

In addition to the chapter on national security, such "political economy" considerations clearly operate in regard to welfare. The government seeks to avoid Western-style "welfarism" (undermining the work ethic, so it is believed). It does so by providing the "preconditions" for social security (which remains an individual or family responsibility) by alleviating poverty, through income maintenance and subsidies for health and education.

Mukul Asher, nevertheless, queries whether such measures can sufficiently address the problems of social adequacy (such as protection against inflation and rising health costs), more equitable social security arrangements (for the poor and the retired) as well as "intangible aspects such as individual freedom".

Indeed, an "oligarchy of virtue" (James Cotton's expression) leaves little scope for democratization, precisely because the élite as "moral guardian" (in David Brown's words) sees its role as imperative both to maintain "statehood" and to enhance the economy. The "changing of the guard" means more consultation and feedback; but there is little likelihood of a liberal middle class emerging.

The material interests of the middle class, as Garry Rodan puts it, are well served by PAP rule. Even though the middle class is somewhat alienated by "over-regulation" and other issues, it is not to the extent of attempting to transform political life. Unlike South Korea or Taiwan, where regimes radicalized the masses, such a situation hardly exists in Singapore.

Here, the emphasis on "Asian" values — rather than David Birch's unconvincing "media crisis" — serves to reinforce party hegemony. (Although the PAP's political style is more relaxed, its hegemony is not negotiable). Such values — in Brown's account as in John Clammer's — are supposed to counter the destabilizing impact of Western liberal democracy.

The values of discipline, respect for authority and commitment to the community (before the individual) are, indeed, widely shared. But Clammer rightly insists that such values are not "Asian" but universal — though of a conservative kind. (Democracy and human rights are equally universal, in a liberal sense).

Thus, he and others have aptly "deconstructed" the five values; but their own values, too, can receive the same treatment. Clammer, for example, simply assumes that capitalism is "basically exploitative", without making any attempt to define that term, to relate it to the evidence around, or say what is "basic" about it.

Let us leave the last word to Margolin, who notes the three phases of PAP leadership. First was the "revolutionary" Third World phase of the period in opposition, followed by the social-democratic phase of the 1960s. For the two decades since then, and increasingly, there is the "Nippo-Swiss" model.

But Singapore (although atypical in important respects) is itself a model, as Margolin concludes: a model of economic growth, public housing, town planning and technological upgrading — and of the absence of corruption, unemployment and slums. And yet the paradox remains: authoritarianism in the polity persists in a context of substantial material improvement for most people.

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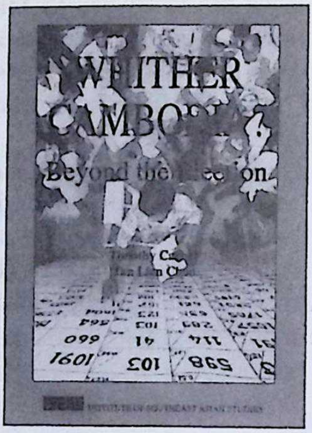

3

Whither Cambodia? Beyond the Election
Timothy Carney and Tan Lian Choo

The Cambodia election was a subject of great concern before and during its implementation as many thought it was doomed to failure. Even the post-election situation today is fraught with uncertainty.

Analysing the significance of the election and what might come after has not always been easy. *Whither Cambodia? Beyond the Election*, written by two well-known individuals, Tim Carney and Tan Lian Choo, attempts to provide some answers. In his capacity as Director of the Division of Information and Education, UNTAC (the United Nations Transitional Authority in Cambodia), Mr Carney helped to facilitate the electoral process in Cambodia. Ms Tan is the Bangkok correspondent of the *Straits Times*.

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